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1964 OUTLOOK ISSUE

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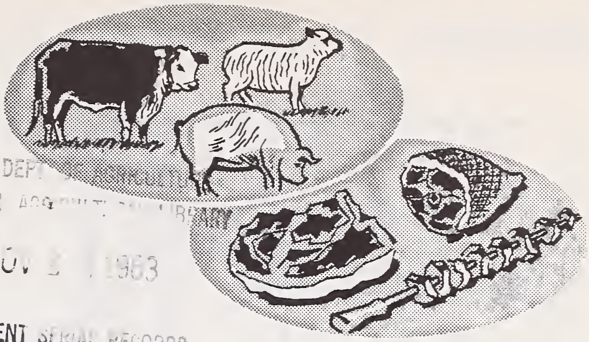
# LIVESTOCK and MEAT SITUATION



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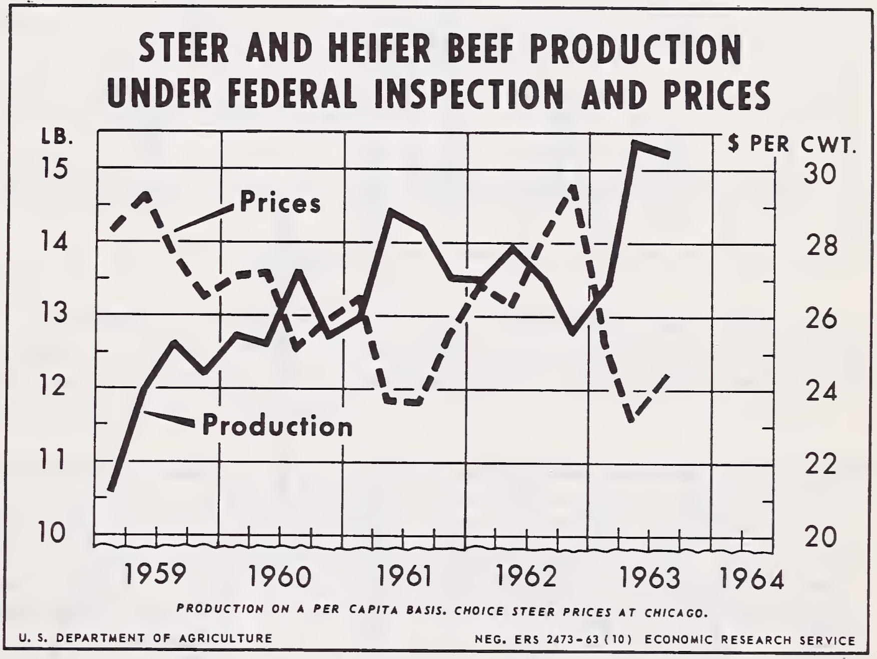
Fed cattle prices are influenced primarily by the fed-beef supply. Supply changes, particularily in the short term, have brought about sharp adjustments in cattle prices. Fed cattle prices are also affected to a lesser extent by the supply of lower grade beef.

Per capita production of high-quality beef was about 14 pounds in the second quarter of 1962, but by the final quarter, had dropped to a little below 13 pounds. In the first 2 quarters of 1963, per capita production jumped to well over 15 pounds. Steer prices averaged $26.24 at Chicago in the second quarter of 1962 rose to $29.51 in the last quarter, then dropped off to $23.02 in the second quarter of 1963. They rose in the third quarter to $24.42.



STEER AND HEIFER BEEF PRODUCTION UNDER FEDERAL INSPECTION AND PRICES

PRODUCTION ON A PER CAPITA BASIS. CHOICE STEER PRICES AT CHICAGO.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 2473-63 (10) ECONOMIC RESEARCH SERVICE

## IN THIS ISSUE

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OUTLOOK FOR SAUSAGE MEAT
THE IMPORT SITUATION
LIST OF PUBLICATIONS

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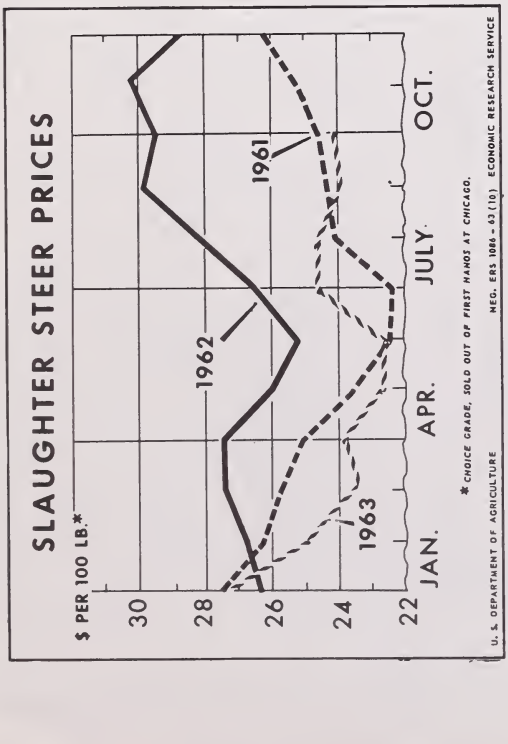
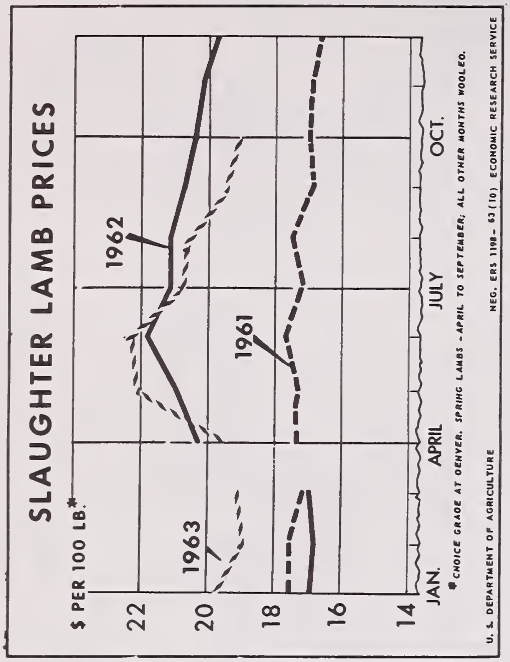


SLAUGHTER STEER PRICES

*CHOICE GRADE, SOLD OUT OF FIRST HANDS AT CHICAGO.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 1086 - 63 (10) ECONOMIC RESEARCH SERVICE

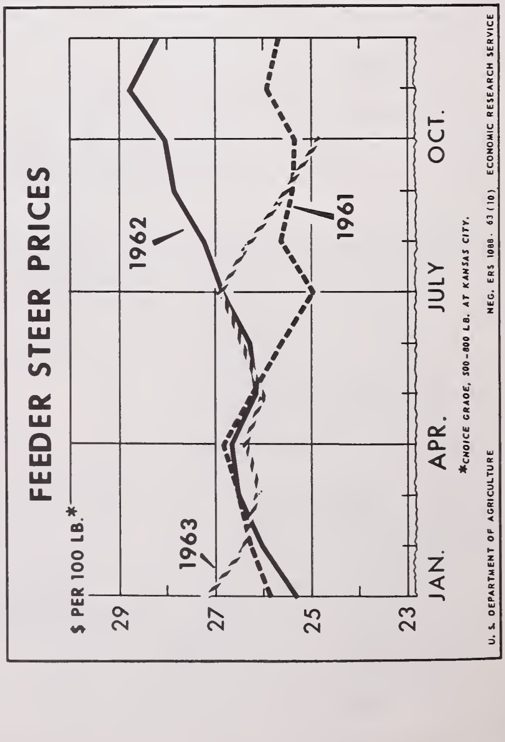


SLAUGHTER LAMB PRICES

*CHOICE GRADE AT DENVER. SPRING LAMBS - APRIL TO SEPTEMBER; ALL OTHER MONTHS WOOLED.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 1198- 63 (10) ECONOMIC RESEARCH SERVICE

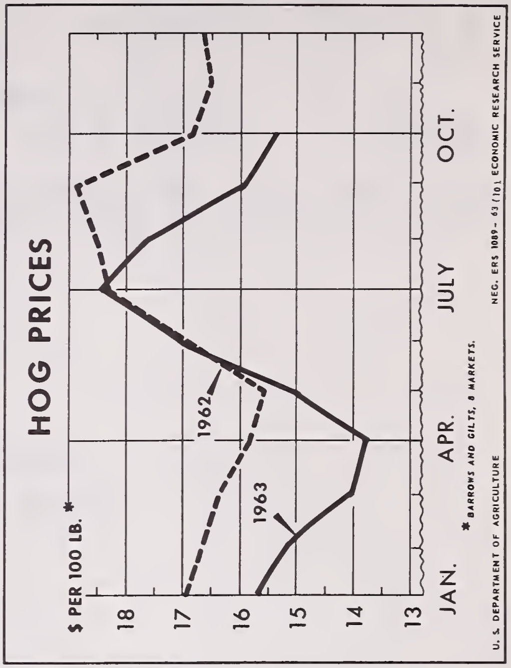
October is 3-week average.



FEEDER STEER PRICES

*CHOICE GRADE, 500-800 LB. AT KANSAS CITY.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 1088- 63 (10) ECONOMIC RESEARCH SERVICE



HOG PRICES

*BARROWS AND GILTS, 8 MARKETS.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 1089- 63 (10) ECONOMIC RESEARCH SERVICE

# THE LIVESTOCK AND MEAT SITUATION

Approved by the Outlook and Situation Board, October 31, 1963

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## SUMMARY

Consumption of red meat is expected to reach 170 pounds per person in 1963, 6 pounds more than in 1962. Most of the gain will come from beef. Pork consumption will be up about a pound, but consumption of veal and lamb and mutton together will be down close to a pound.

Consumption of beef in the U. S. in 1963 is expected to set a new record of about 95 pounds per person, up from 89 pounds in 1962. U. S. beef cattle numbers have increased sufficiently to sustain both the higher level of consumption and a larger cattle inventory which will provide the basis for even larger beef supplies in 1964. Inventory numbers on January 1, 1964, will be close to 107 million head, up about 3 percent from the 103.8 million cattle and calves on farms a year earlier.

Fed cattle prices in late 1962 were at the highest levels in several years. Choice steer prices at Chicago averaged $30.13 a hundred pounds in November 1962. Early in 1963 marketings increased substantially and prices fell off to an average of $22.61 in May. By July the price rose to $24.72 but has weakened since. In late October it was under $24.00. Fed cattle marketings are expected to continue heavy this winter and prices likely will average below the first quarter of 1963 when Choice steers at Chicago averaged $25.28. Cattle feeders indicated on October 1 that they intend to market 15 percent more cattle in the fourth quarter this year than in the same months of 1962. Marketings during the fourth quarter of 1962 were low, but if intentions are carried out, October-December 1963 marketings will be about 7 percent more than in July-September.

Beef production has increased more than the number of head slaughtered because cattle have been considerably heavier than in 1962. The large proportion of heavy cattle marketed also has resulted in price discounts for heavy weights within a grade and the narrowing of price margins between grades.

Fed cattle supplies and prices in 1964 will be strongly influenced by the number of cattle and calves placed on feed during the next few months. Thus far this fall the movement of feeder cattle into feedlots has been slow although by October feeder prices were from $2 to $3 a hundred pounds under a year earlier. If large numbers are roughed through the winter instead of going into feedlots, fed cattle prices likely will be somewhat higher by spring than in October-December 1963. In that case, however, serious price problems could develop toward the end of 1964 and early in 1965.

Hog prices in 1964 are expected to average a little higher than in 1963, in response to lower per capita pork supplies. Hog slaughter in 1964 likely will fall below year-earlier levels before the beginning of the second quarter and then remain below throughout the remainder of the year.

Hog slaughter was especially large during late winter and late summer this year compared with the same period a year earlier. It was also during these times that hog prices fell below year-earlier levels by the widest margin.

Current hog prices are being affected by large supplies of other meats and by unusually large stocks of pork in cold storage. Prices now are below the 1962 fourth quarter average of $16.51 for barrows and gilts at 8 major markets. Prices likely will continue below year-earlier levels this winter, but then average a little higher next spring as slaughter supplies decline.

According to the September Pig Crop Report, the number of sows farrowing in June-November in the Corn Belt will be down slightly from 1962. Producers reported intentions to decrease December 1963-February 1964 farrowings 1 percent from a year earlier.

Sheep and lambs on farms and ranches on January 1, 1963, totaled 30,170,000, down about 4 percent from a year earlier and the second smallest beginning inventory on record. The number of stock sheep was the smallest on record. The 1963 lamb crop of 19,697,000 was 3 percent smaller than the previous crop, and the smallest since 1950. Sheep and lamb slaughter, however, was down more than the lamb crop or beginning inventories. Commercial slaughter was about 6 percent below 1962. Consequently, the sheep and lamb inventory on January 1, 1964, will be only slightly under the 2 previous years.

Slaughter lamb prices during the first half of 1963 were above a year earlier, but have been below year-ago levels since August. Prices the rest of 1963 will drop seasonally and will likely be under the year-earlier level. Feeder lamb prices in 1963 were substantially above 1962 until September.

The outlook is for a decline in the January 1, 1964, inventory of sheep and lambs to between 29.3 million and 29.7 million. The number of sheep and lambs on feed January 1 is expected to be down about 5 percent from a year earlier, when 4.0 million were on feed. The 1964 lamb crop probably will be down between 4 and 5 percent, and slaughter likely will again be down a little next year. However, prices likely will average about the same as in 1963, reflecting stiff competition from beef.

## REVIEW AND OUTLOOK

### Meat Consumption Up in 1963

Per capita consumption of red meats is expected to reach 170 pounds this year, 6 pounds more than in 1962. Most of the gain will come from beef. Pork consumption will be up about a pound, while consumption of veal and lamb and mutton together will be down about a pound. The increase in per capita consumption is the result of both higher domestic production and larger imports. Poultry meat consumption is rising only slightly in 1963.

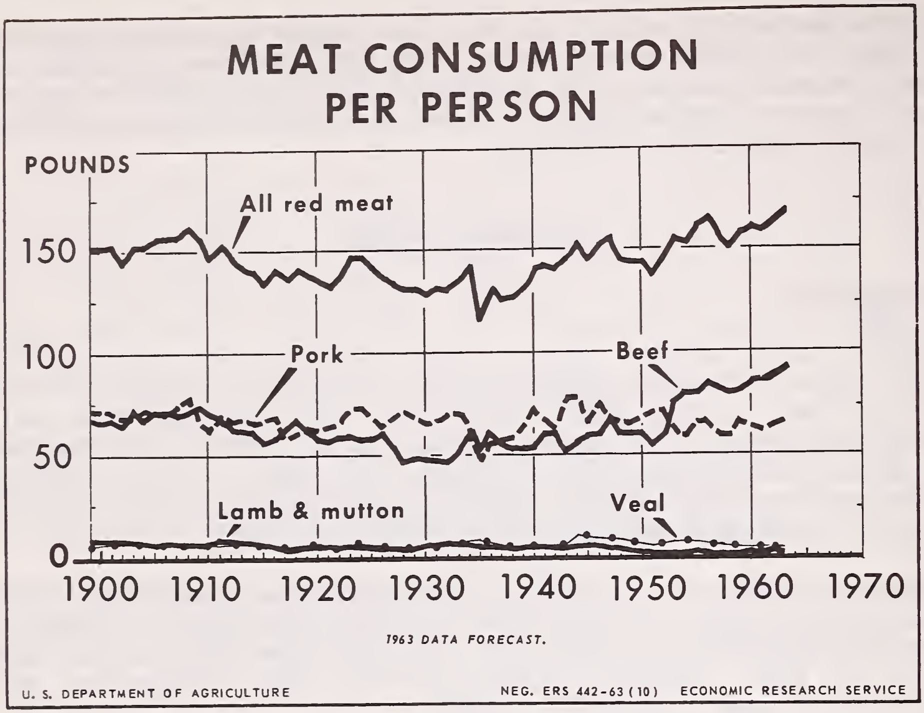
Americans will eat about 6 pounds more beef and consumption will average above 95 pounds per person. This will be another new record. Domestic beef production likely will be up well over 7 percent, with most of the increase coming from fed beef. Imports of beef also will make a substantial gain over the 1,419 million pounds imported in 1962.

Pork consumption is increasing from 64 pounds a year ago to 65 pounds in 1963. Production of pork will be 3 percent above the 11,841 million pounds produced in 1962. Per capita supplies of veal declined one-half pound to 5.0 pounds per person because of the trend to hold calves to heavier weights and slaughter as mature animals. Lamb and mutton consumption, on a per capita basis, in 1963 will drop about a third of a pound from the 5.2 pounds consumed last year.

Next year total red meat consumption per person probably will be much the same as in 1963. Larger beef production and consumption is expected to be offset by smaller supplies of pork, veal, and lamb and mutton. Beef production will be up 3 to 4 percent. Production of pork likely will be slightly smaller because of a decline in farrowings in the last half of 1963 and an anticipated smaller pig crop in the first half of 1964. Because of population growth, per capita consumption of pork will be off somewhat more than the decline in production. Veal, lamb, and mutton consumption per person likely will continue to diminish.

### Retail Meat Prices Down

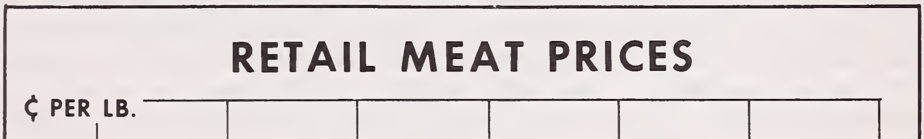
The index of retail meat prices, published by the Bureau of labor Statistics, was above year-earlier levels for the first 3 months of the year, but has been below since. The average price of beef at retail increased rapidly in the last half of 1962 because of short supplies and averaged 84.3 cents per pound. It declined during the first half of this year as per capita



MEAT CONSUMPTION PER PERSON

1963 DATA FORECAST.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 442-63 (10) ECONOMIC RESEARCH SERVICE



RETAIL MEAT PRICES

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 2210-63 (10) ECONOMIC RESEARCH SERVICE

Table 1.--Production and consumption per person of red meat and poultry, United States, 1955-63 and forecast for 1964

Production 1/

| Year | Red meat |  |  |  |  | Poultry meat 2/ | Red and poulty meat |
|---|---|---|---|---|---|---|---|
|  | Beef | Veal | Lamb and mutton | Pork | Total |  |  |
|  | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. |
| 1955 | 13,569 | 1,578 | 758 | 10,990 | 26,895 | 4,390 | 31,285 |
| 1956 | 14,462 | 1,632 | 741 | 11,200 | 28,035 | 5,174 | 33,209 |
| 1957 | 14,202 | 1,526 | 707 | 10,424 | 26,859 | 5,438 | 32,297 |
| 1958 | 13,330 | 1,186 | 688 | 10,454 | 25,658 | 6,043 | 31,701 |
| 1959 | 13,580 | 1,008 | 738 | 11,993 | 27,319 | 6,353 | 33,672 |
| 1960 | 14,727 | 1,108 | 768 | 11,605 | 28,208 | 6,390 | 34,598 |
| 1961 | 15,298 | 1,044 | 832 | 11,411 | 28,585 | 7,334 | 35,919 |
| 1962 | 15,296 | 1,015 | 809 | 11,841 | 29,961 | 7,132 | 36,093 |
| 1963 3/ | 16,470 | 940 | 760 | 12,200 | 30,370 | 7,300 | 37,670 |
| 1964 4/ | 16,950 | 900 | 750 | 12,000 | 30,600 | 7,450 | 38,050 |
|  | Consumption per person |  |  |  |  |  |  |
|  | Lb. | Lb. | Lb. | Lb. | Lb. | Lb. | Lb. |
| 1955 | 82.0 | 9.4 | 4.6 | 66.8 | 162.8 | 26.3 | 189.1 |
| 1956 | 85.4 | 9.5 | 4.5 | 67.3 | 166.7 | 29.6 | 196.3 |
| 1957 | 84.6 | 8.8 | 4.2 | 61.1 | 158.7 | 31.4 | 190.1 |
| 1958 | 80.5 | 6.7 | 4.2 | 60.2 | 151.6 | 34.1 | 185.7 |
| 1959 | 81.4 | 5.7 | 4.8 | 67.6 | 159.5 | 35.2 | 194.7 |
| 1960 | 85.2 | 6.2 | 4.8 | 65.2 | 161.4 | 34.4 | 195.8 |
| 1961 | 88.0 | 5.7 | 5.1 | 62.2 | 161.0 | 37.8 | 198.8 |
| 1962 | 89.1 | 5.5 | 5.2 | 63.9 | 163.7 | 37.2 | 200.9 |
| 1963 3/ | 95.1 | 5.0 | 4.9 | 64.9 | 169.9 | 37.4 | 207.3 |
| 1964 4/ | 97.0 | 4.8 | 4.7 | 63.5 | 170.0 | 37.8 | 207.8 |

---

1/ Production of red meats is carcass weight equivalent of production from total United States slaughter.

2/ Chicken, including commercial broilers, and turkeys, ready-to-cook (eviscerated) basis.

3/ Preliminary.

4/ Forecast.

Table 2.--Average retail price of meat per pound,
United States, by months, 1959 to date

Pork, retail cuts

| Year | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Av. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Ct. | Ct. | Ct. | Ct. | Ct. | Ct. | Ct. | Ct. | Ct. | Ct. | Ct. | Ct. | Ct. |
| 1959 | 61.1 | 58.7 | 57.5 | 58.0 | 58.2 | 58.5 | 58.1 | 56.5 | 57.2 | 55.5 | 53.8 | 52.2 | 57.1 |
| 1960 | 51.9 | 51.9 | 53.0 | 54.8 | 56.1 | 57.6 | 59.1 | 59.8 | 58.7 | 59.1 | 58.7 | 59.2 | 56.7 |
| 1961 | 59.5 | 59.7 | 59.5 | 59.1 | 57.9 | 57.9 | 59.1 | 60.1 | 61.0 | 60.5 | 58.4 | 57.7 | 59.2 |
| 1962 | 58.2 | 58.1 | 57.4 | 57.9 | 57.5 | 58.0 | 60.1 | 61.8 | 64.6 | 61.1 | 59.6 | 59.1 | 59.5 |
| 1963 | 58.7 | 57.8 | 56.7 | 55.1 | 54.9 | 56.6 | 59.0 | 60.1 | 59.8 | | | | |
| | Beef, Choice grade | | | | | | | | | | | | |
| 1959 | 82.6 | 83.3 | 83.2 | 83.3 | 83.7 | 83.3 | 83.6 | 82.0 | 82.1 | 82.2 | 82.3 | 81.9 | 82.8 |
| 1960 | 81.5 | 81.0 | 81.2 | 82.6 | 82.1 | 81.5 | 80.9 | 80.8 | 80.0 | 79.6 | 79.7 | 80.5 | 81.0 |
| 1961 | 82.1 | 81.8 | 81.3 | 80.6 | 79.4 | 77.3 | 76.3 | 76.6 | 77.7 | 78.1 | 79.0 | 79.6 | 79.2 |
| 1962 | 80.2 | 80.8 | 80.8 | 81.1 | 80.7 | 79.8 | 80.2 | 81.6 | 87.2 | 85.5 | 85.6 | 85.8 | 82.4 |
| 1963 | 85.5 | 84.9 | 83.1 | 79.5 | 79.6 | 78.1 | 78.8 | 81.3 | 81.0 | | | | |
| | Lamb, Choice grade | | | | | | | | | | | | |
| 1959 | 70.4 | 68.3 | 68.3 | 71.5 | 73.3 | 74.5 | 74.1 | 75.0 | 71.7 | 67.4 | 67.1 | 66.6 | 70.7 |
| 1960 | 66.9 | 69.2 | 70.4 | 69.2 | 71.9 | 73.3 | 68.9 | 68.0 | 70.1 | 68.8 | 69.9 | 69.9 | 69.7 |
| 1961 | 68.0 | 67.9 | 67.3 | 64.8 | 64.0 | 65.0 | 64.4 | 65.0 | 66.3 | 64.8 | 65.3 | 68.2 | 65.9 |
| 1962 | 69.3 | 67.7 | 68.7 | 68.3 | 68.6 | 72.5 | 72.9 | 72.2 | 72.8 | 71.6 | 72.1 | 72.0 | 70.7 |
| 1963 | 73.1 | 72.6 | 71.0 | 72.6 | 72.7 | 73.7 | 73.5 | 73.0 | 72.9 | | | | |

supplies increased, dropping below year-earlier rates in April and has stayed below since. The margin below a year earlier will widen in the final quarter of 1963.

Pork prices have been below the same months of 1962 since January with widest margin in April. Retail lamb prices have been above the same month a year earlier since March 1962. This year average lamb prices have held rather constant, varying only between 73.7 cents and 71.0 cents. The peak price was reached in June. Pork prices at retail will probably average below those of a year earlier in the fourth quarter, while lamb is expected to average much the same as in October-December 1962.

## CATTLE

### Fed Cattle Price Difficulties

Beef producers have encountered recurring short-term price difficulties in recent years, even though beef has been one of the few products for which demand has been growing faster than population. And, in contrast to earlier periods, this has occurred during a time when the basic beef cow herd has been increasing at a relatively constant rate. Most of these price difficulties have resulted largely from large marketings of high-grade fed beef during short periods of time.

The cattle feeding industry has been expanding rapidly since 1958. Many commercial feedlots have been built, and existing feedlots have enlarged their capacities. On January 1, 1963, there were 8,896,000 cattle and calves on feed in 26 leading States, 51 percent more than there were at the beginning of 1958. However, this growth rate has not been uniform. Large increases have been registered over short periods of time and marketings from one quarter to another have often been irregular.

Sales of feeder cattle vary widely because of the seasonality of production. Placements on feed and marketings of fed cattle are much less seasonal. Although the general pattern has been for a growing volume of marketings, the growth has been distributed throughout the year. Sizeable variations in average dressed weights, particularly at times of large marketings, increase fluctuations in the volume of fed beef produced.

Short-term variations in steer and heifer beef production have been reflected in fed cattle prices and, of course, incomes of cattlemen. As shown by the cover chart the large per capita increase in the amount of steer and heifer beef produced in 1961 and 1963 were accompanied by severe price drops for fed cattle.

It is significant that sharp price movements, such as occurred in the second half of 1962 and in the first half of 1963, happened while the total number of cattle and calves on farms was increasing in an orderly fashion. In other words, prices of fed cattle have fluctuated markedly while the general cattle cycle has been in a relatively gentle upswing. This emerging phenomenon is probably the result of the development in the cattle industry of 2 clearly defined stages of beef production: producing calves and converting feed concentrates into meat.

## Beef Production Up More than Slaughter

Production of steer and heifer beef under Federal inspection the first 9 months this year was up 10 percent from the same months of 1962. The number of steers and heifers slaughtered was up only 7 percent. Therefore, a large part of the increased production was the result of heavier weight. Production was up 4.5 percent in the first quarter, 12.5 percent in the second quarter, and 14 percent in the third quarter from a year earlier.

In 1962, average liveweights were relatively low and there were few high-quality heavy cattle at times, especially during the second half of the year. So far this year, Choice steers at 12 major markets have averaged from 1

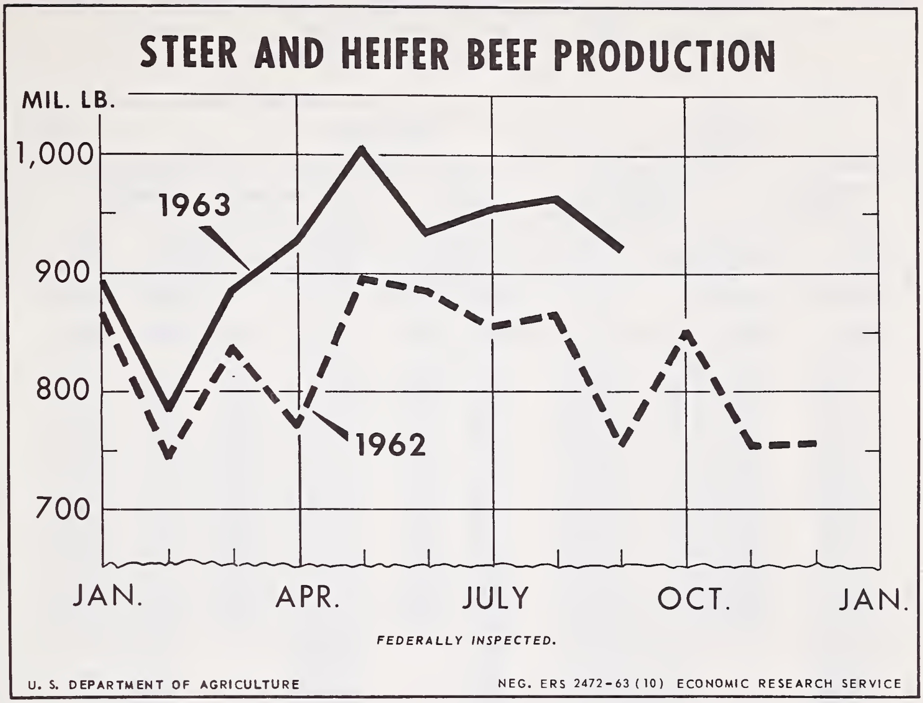
Table 3.--Steer and heifer beef production under Federal inspection, United States and North Central Region, by month, 1962-63

| Month | Steer beef production | | | | Heifer beef production | | | |
|---|---|---|---|---|---|---|---|---|
| | United States | | North Central Region | | United States | | North Central Region | |
| | 1962 | 1963 | 1962 | 1963 | 1962 | 1963 | 1962 | 1963 |
| | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. |
| January | 654 | 678 | 386 | 412 | 214 | 214 | 135 | 130 |
| February | 574 | 591 | 355 | 362 | 173 | 196 | 103 | 118 |
| March | 647 | 662 | 385 | 393 | 190 | 222 | 110 | 132 |
| April | 601 | 710 | 349 | 429 | 169 | 214 | 98 | 127 |
| May | 699 | 782 | 414 | 464 | 192 | 227 | 115 | 134 |
| June | 700 | 732 | 421 | 431 | 184 | 199 | 113 | 122 |
| July | 666 | 730 | 395 | 432 | 190 | 221 | 121 | 136 |
| August | 646 | 737 | 379 | 447 | 218 | 230 | 131 | 137 |
| September | 532 | 689 | 314 | 416 | 224 | 228 | 135 | 143 |
| October | 593 | | 348 | | 257 | | 156 | |
| November | 546 | | 320 | | 211 | | 130 | |
| December | 568 | | 357 | | 191 | | 122 | |

to 56 pounds heavier than in the same months a year earlier. Since May, weights have been up more than 27 pounds. This year the seasonal decline was smaller than usual so, the margin over a year earlier increased. Choice steers have generally averaged the same as in 1961, when marketings were bunched in the second and third quarters and weights were quite heavy. Average liveweight of Choice steers sold out of first hands at 12 major markets this September was 1,154 pounds, or 56 pounds above September 1962. Prime and Good steers averaged 20 and 38 pounds above, respectively.

Heavier average live weights during periods of large marketings, have led to price discounts for heavy-weight cattle within a grade and small premiums between grades. See table 6. Last year Choice steers at Chicago weighing 1,100 pounds and over sold from 20 to 92 cents higher than the same quality cattle weighing 900 to 1,100 pounds. This year cattle over 1,100 pounds have sold for more than those under 1,100 pounds only once, in January when the premium was 6 cents. In September, heavy cattle were discounted 48 cents below those in the 900-1,100 pound group. A similar situation has occurred with Prime cattle.

Price differences between grades have also been small this year. In 1962, Prime steers sold for as much as $2.81 per hundred pounds higher than Choice steers (all weights). For the first 3 months this year, the margin of Prime over Choice was about $1.20; but then it declined and is now about 50 cents.


STEER AND HEIFER BEEF PRODUCTION
MIL. LB.
1,000
900
800
700
1963
1962
JAN.
APR.
JULY
OCT.
JAN.
FEDERALLY INSPECTED.
U. S. DEPARTMENT OF AGRICULTURE
NEG. ERS 2472-63 (10) ECONOMIC RESEARCH SERVICE

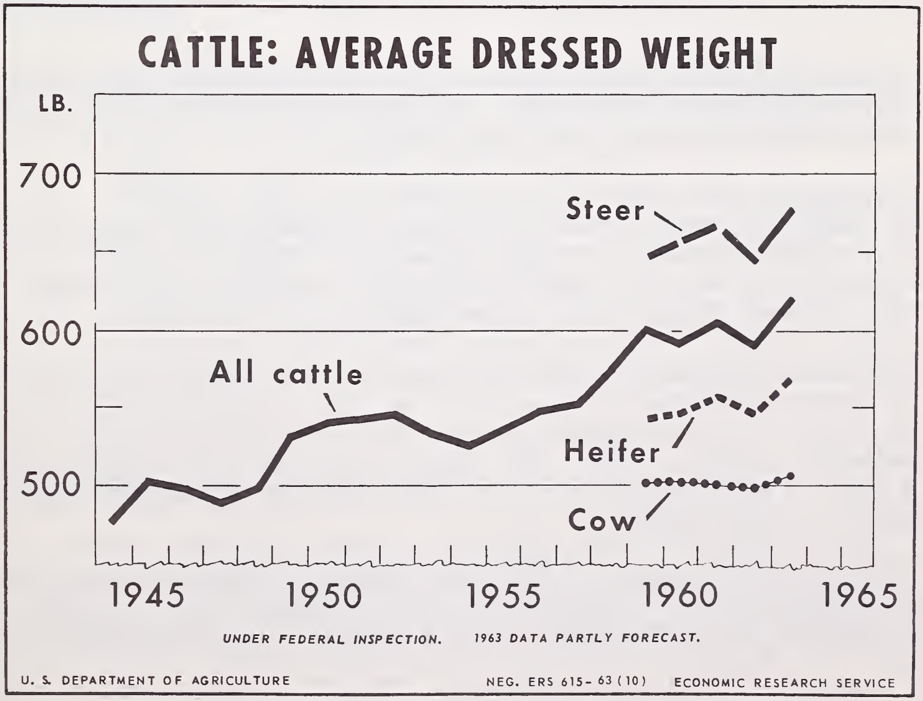

CATTLE: AVERAGE DRESSED WEIGHT
LB.
700
600
500
Steer
All cattle
Heifer
Cow
1945
1950
1955
1960
1965
UNDER FEDERAL INSPECTION. 1963 DATA PARTLY FORECAST.
U. S. DEPARTMENT OF AGRICULTURE
NEG. ERS 615-63 (10) ECONOMIC RESEARCH SERVICE

Table 4.--Number of cattle slaughtered under Federal inspection by class, and percent each class is of total, U.S., by months, 1962-63

| Month | Steers | | | | Heifers | | | | Cows | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Number | | Percentage | | Number | | Percentage | | Number | | Percentage | |
| | 1962 | 1963 | 1962 | 1963 | 1962 | 1963 | 1962 | 1963 | 1962 | 1963 | 1962 | 1963 |
| | 1,000 head | 1,000 head | Pct. | Pct. | 1,000 head | 1,000 head | Pct. | Pct. | 1,000 head | 1,000 head | Pct. | Pct. |
| Jan. | 999 | 1,021 | 56.1 | 56.9 | 383 | 382 | 21.5 | 21.3 | 383 | 373 | 21.5 | 20.8 |
| Feb. | 870 | 891 | 59.3 | 57.2 | 310 | 351 | 21.1 | 22.5 | 274 | 302 | 18.7 | 19.4 |
| Mar. | 991 | 995 | 60.1 | 58.7 | 346 | 393 | 21.0 | 23.2 | 297 | 291 | 18.0 | 17.2 |
| Apr. | 924 | 1,049 | 60.7 | 60.7 | 307 | 378 | 20.2 | 21.9 | 274 | 283 | 18.0 | 16.4 |
| May | 1,063 | 1,155 | 60.2 | 61.6 | 350 | 401 | 19.8 | 21.4 | 330 | 300 | 18.7 | 16.0 |
| June | 1,065 | 1,083 | 62.0 | 61.8 | 337 | 354 | 19.6 | 20.2 | 295 | 298 | 17.2 | 17.0 |
| July | 1,031 | 1,079 | 58.4 | 58.7 | 358 | 395 | 20.3 | 21.5 | 353 | 345 | 20.0 | 18.8 |
| Aug. | 1,012 | 1,106 | 54.1 | 58.2 | 413 | 418 | 22.1 | 22.0 | 421 | 359 | 22.5 | 18.9 |
| Sept. | 847 | 1,039 | 51.2 | 56.8 | 419 | 411 | 25.3 | 22.5 | 371 | 364 | 22.4 | 19.9 |
| Oct. | 936 | | 49.3 | | 469 | | 24.7 | | 473 | | 24.9 | |
| Nov. | 841 | | 49.9 | | 384 | | 22.8 | | 443 | | 26.3 | |
| Dec. | 868 | | 55.6 | | 344 | | 22.0 | | 336 | | 21.5 | |
| Total | 11,447 | | 56.3 | | 4,420 | | 21.7 | | 4,250 | | 20.9 | |

The difference between Good and Choice prices has narrowed too, but not quite as much as between Choice and Prime. A comparison of heifer or steer prices at other markets would show the same relationships.

Profits were hurt this year by feeding to heavy weights. It costs more to put on weight as cattle become heavy and it appears that many could have made better returns if they had been marketed at lighter weights. Putting on more beef pays only when the total premium per head is large enough to more than cover the cost of upgrading or feeding to the top weights.

Available data point toward selling at light weights for the best prospects of improving incomes. This is one of those things that each individual feeder will have "to put a pencil on" to decide what is in his own best interest to maximize his net income. But income improvement for cattle feeders won't be easy. Cattle prices will be under pressure until the large supply of heavy cattle has been moved.

Discussing advantages of marketing at light weights is one thing; convincing buyers and sellers to carry it out is another. But it seems rather clear that the addition of extra pounds to each animal is not in the best interest

Table 5.--Selected prices per 100 pounds of cattle, by months, 1962 and 1963

| Month | Chicago | | | | Kansas City | | | |
|---|---|---|---|---|---|---|---|---|
| | Choice steers | | Utility cows | | Good feeder steers | | Choice feeder steer calves | |
| | 1962 | 1963 | 1962 | 1963 | 1962 | 1963 | 1962 | 1963 |
| | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. |
| Jan. | 26.39 | 27.27 | 14.87 | 15.07 | 23.75 | 25.14 | 27.19 | 29.50 |
| Feb. | 26.76 | 24.93 | 15.26 | 15.00 | 23.91 | 24.42 | 28.70 | 29.68 |
| Mar. | 27.31 | 23.63 | 15.97 | 15.52 | 24.52 | 24.00 | 28.80 | 29.18 |
| Apr. | 27.45 | 23.77 | 16.06 | 15.74 | 24.78 | 24.18 | 29.50 | 29.48 |
| May | 26.02 | 22.61 | 15.91 | 16.31 | 24.37 | 23.74 | 28.98 | 28.96 |
| June | 25.25 | 22.69 | 16.42 | 16.26 | 24.66 | 24.18 | 28.96 | 29.21 |
| July | 26.50 | 24.72 | 15.31 | 15.33 | 24.80 | 24.77 | 29.29 | 29.42 |
| Aug. | 28.19 | 24.60 | 15.20 | 15.65 | 24.77 | 24.15 | 29.04 | 28.66 |
| Sept. | 29.85 | 23.94 | 15.65 | 15.10 | 25.51 | 23.56 | 30.06 | 27.91 |
| Oct. | 29.50 | 1/24.18 | 15.31 | 2/14.71 | 25.43 | 2/22.92 | 30.53 | 2/27.05 |
| Nov. | 30.13 | | 15.22 | | 26.28 | | 30.88 | |
| Dec. | 28.91 | | 14.91 | | 25.74 | | 30.20 | |
| Average | 27.67 | | 15.51 | | 24.88 | | 29.34 | |

1/ 3-week average.
2/ 4-week average.

of either the individual or the industry. There have been times when adding weight was a good way to improve income, such as in the third quarter and part of the fourth quarter of 1962. During those months, the market would have taken an increase in weights without large price discounts.

This year, average dressed weights for all cattle slaughtered under Federal inspection were up more than the average dressed weights of individual classes. This came about because cattle slaughter contained a larger percentage of steers and heifers which are heavier than cows. It is unlikely that steers and heifers will make up a much higher proportion of the total slaughter next year. Therefore, any change in slaughter weights will have a substantial effect on the beef supply.

## Cattle Marketings to Continue Large

Continued large marketings of fed cattle at heavy weights are expected for the remainder of the fourth quarter. There were 6.8 million cattle and calves on feed in 28 major feeding States on October 1. This was 10 percent more than a year earlier, but slightly less than were on feed July 1. The North Central States were up 9 percent and the Western States were up 8 percent. Other States not in these 2 regions (Pennsylvania, Oklahoma, Texas, Georgia, and Alabama) had a total of 22 percent more cattle and calves on feed.

Table 6.--Steer prices at Chicago by weight group and differences between grades, by months, 1962-63

| Month | Prime | | | | | | Difference in prices between Prime and Choice (all weights) | |
|---|---|---|---|---|---|---|---|---|
| | 1962 | | | 1963 | | | | |
| | 900-1100 lbs. | 1100 lbs. and over | Margin 1/ | 900-1100 lbs. | 1100 lbs. and over | Margin 1/ | 1962 | 1963 |
| | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. |
| Jan. | 27.36 | 27.92 | 0.56 | 28.26 | 28.53 | 0.27 | 1.46 | 1.17 |
| Feb. | 28.00 | 28.63 | .63 | 25.94 | 26.02 | .08 | 1.89 | 1.17 |
| Mar. | 28.88 | 29.97 | 1.09 | 24.79 | 24.92 | .13 | 2.81 | 1.18 |
| Apr. | 28.80 | 30.35 | 1.55 | 24.82 | 25.07 | .25 | 2.69 | .98 |
| May | 27.36 | 28.21 | .85 | 23.79 | 23.75 | -.04 | 2.30 | .88 |
| June | 26.58 | 27.25 | .67 | 23.78 | 23.79 | .01 | 1.89 | .52 |
| July | 27.03 | 27.86 | .83 | 25.58 | 25.69 | .11 | 1.40 | .88 |
| Aug. | 29.25 | 30.06 | .81 | 25.38 | 25.26 | -.12 | 1.88 | .52 |
| Sept. | 31.18 | 32.55 | 1.37 | 24.75 | 24.64 | -.11 | 2.60 | |
| Oct. | 30.51 | 31.63 | 1.12 | | | | 2.10 | |
| Nov. | 30.94 | 31.96 | 1.02 | | | | 1.74 | |
| Dec. | 29.65 | 30.62 | .97 | | | | 1.82 | |

| Month | Choice | | | | | | Difference in prices between Choice and Good (all weights) | |
|---|---|---|---|---|---|---|---|---|
| | 1962 | | | 1963 | | | | |
| | 900-1100 lbs. | 1100 lbs. and over | Margin 1/ | 900-1100 lbs. | 1100 lbs. and over | Margin 1/ | 1962 | 1963 |
| | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. |
| Jan. | 26.27 | 26.50 | 0.23 | 27.21 | 27.27 | 0.06 | 1.75 | 1.70 |
| Feb. | 26.74 | 26.94 | .20 | 25.11 | 24.86 | -.25 | 2.22 | 1.24 |
| Mar. | 27.34 | 27.69 | .35 | 23.94 | 23.75 | -.19 | 2.33 | 1.24 |
| Apr. | 27.60 | 28.22 | .62 | 24.06 | 24.02 | -.04 | 2.01 | 1.04 |
| May | 26.10 | 26.46 | .36 | 22.99 | 22.67 | -.32 | 1.69 | .94 |
| June | 25.29 | 25.50 | .21 | 22.99 | 22.90 | -.09 | 1.35 | .79 |
| July | 26.22 | 26.58 | .36 | 24.85 | 24.75 | -.10 | 1.55 | 1.16 |
| Aug. | 27.42 | 28.34 | .92 | 24.88 | 24.52 | -.36 | 1.89 | .76 |
| Sept. | 29.55 | 30.14 | .59 | 24.10 | 23.62 | -.48 | 2.23 | |
| Oct. | 29.06 | 29.92 | .86 | | | | 1.80 | |
| Nov. | 29.74 | 30.62 | .88 | | | | 1.85 | |
| Dec. | 28.61 | 29.20 | .59 | | | | 1.89 | |

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1/ Amount 1100 lbs. and over is above 900-1100 lbs.

Cattle feeders indicated on October 1 that they intend to market 15 percent more cattle in the fourth quarter this year than in the same months of 1962. Marketings during the fourth quarter last year were less than the third quarter. But if feeders follow their intentions this October-December, fed cattle marketings will rise about 7 percent above third quarter levels. Contributing to larger marketings in the fourth quarter is the apparent delay in marketings during July-August. Cattle feeders sent only 4 percent more cattle to slaughter in the third quarter than a year earlier, even though July intentions indicated an increase of 9 percent. Cattle slaughter under Federal inspection was up 4.1 and 1.6 percent in July and August while September was up 10.6 percent from the same month a year earlier.

As a result, many cattle currently on feed are in the heavy weight groups. The number weighing over 1,100 pounds October 1 was up 29 percent from a year earlier. Those weighing 900 to 1,099 pounds were up 24 percent, while the 700-899 pound weight group was up 7 percent. The other 2 weight groups, 500-699 pounds and under 500 pounds, were below a year earlier by 3 percent and 2 percent, respectively. Because of the large number of heavy cattle on hand, cattle feeders could reach their stated intentions.

Prices of Choice steers at Chicago during the first 3 weeks in October were 24.18 compared with $29.21 a year earlier. Continued large marketings of heavy-weight cattle may result in some further price weakening. Prices of Choice steers at Chicago may decline about $1.00 from October levels before the end of the year.

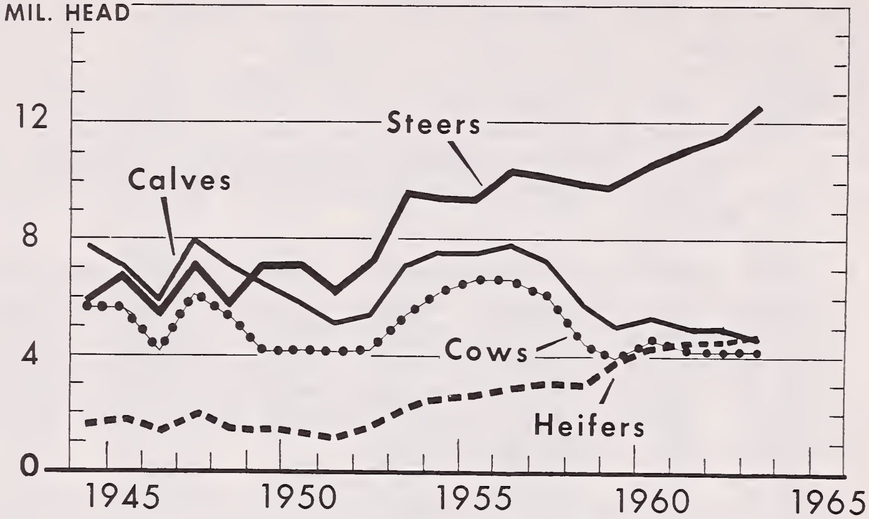
Supplies of the lower grades of beef will also be abundant in the coming months. This is the time of year for seasonally large cow slaughter, and beef imports likely will average above year-ago levels. Cow slaughter under Federal inspection averaged about the same as a year earlier through the first 6 months of this year, but since then has fallen somewhat below. Since the dry weather is continuing in the East, dairy cow culling probably will at least equal or even exceed last year's heavy rate in the fourth quarter. Also, some parts of the Southwest are again dry, which may encourage a little heavier culling of beef cows yet this year. Therefore, cow slaughter may be above 1962 rates in the fourth quarter.

Stocks of beef in cold storage on October 1 totaled 219 million pounds, 74 million more than on the same date last year.

## Feeder Cattle Sales Slow

Sales and contracting for future delivery for feeder cattle have been slow so far this fall, although activity has picked up somewhat in the past few weeks. Placements of cattle and calves on feed during the third quarter were up only 1 percent above the same quarter a year earlier. Since the available supply of feeder animals is above 1962, there are many cattle yet to move this fall and winter. However, fourth quarter placements will depend on feeder cattle prices. Cattle feeders are not anxious to place many cattle

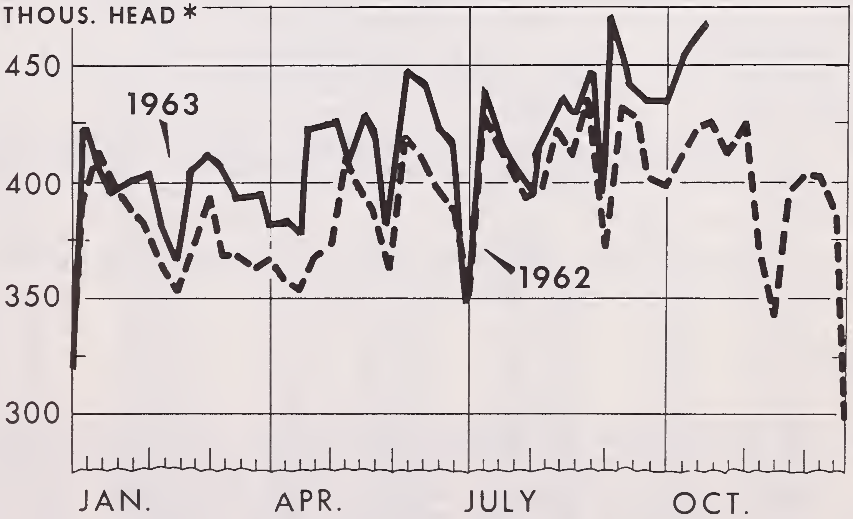
## CATTLE SLAUGHTER BY CLASSES



SLAUGHTER UNDER FEDERAL INSPECTION. 1963 DATA ARE PARTLY FORECAST.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 614-63 (10) ECONOMIC RESEARCH SERVICE

## CATTLE SLAUGHTER



* FEDERALLY INSPECTED.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 1798-63 (10) ECONOMIC RESEARCH SERVICE

at prices near those last fall, and stockmen are reluctant to sell at reduced prices from last year. Prices of feeders in recent weeks have fallen $2.00 to $3.00 below those in 1962. Large volumes will move in the weeks ahead, but October-December placements of cattle and calves on feed may exceed year-earlier rates by only a small amount.

Cattlemen with good equity and plenty of roughage can hold calves through the winter with small out-of-pocket costs. They will be gambling a fairly small amount of money per head in hopes that feeder prices will be higher next spring and summer. Cattle roughed through the winter will not show much weight increase but will gain rapidly on good spring pastures.

Even if large numbers of calves do not leave home ranches this fall, (and thus do not appear as fed cattle next spring) prices during the fall of 1964 and winter of 1965 will then likely average below 1963 levels. If placements are higher than a year earlier this fall and winter, there will still be a supply of feeder animals large enough to support further expansion in cattle feeding in the last 3 quarters of 1964. Calves held off feed this winter will be competing with a plentiful supply of 1964 calves, a situation that could have far-reaching consequences for the cattle industry. Also it does not seem likely that stockmen will profit by holding calves until 1964. Some cow-calf operators may put feeders in custom feedlots rather than sell at current prices. This, of course, will not delay marketings.

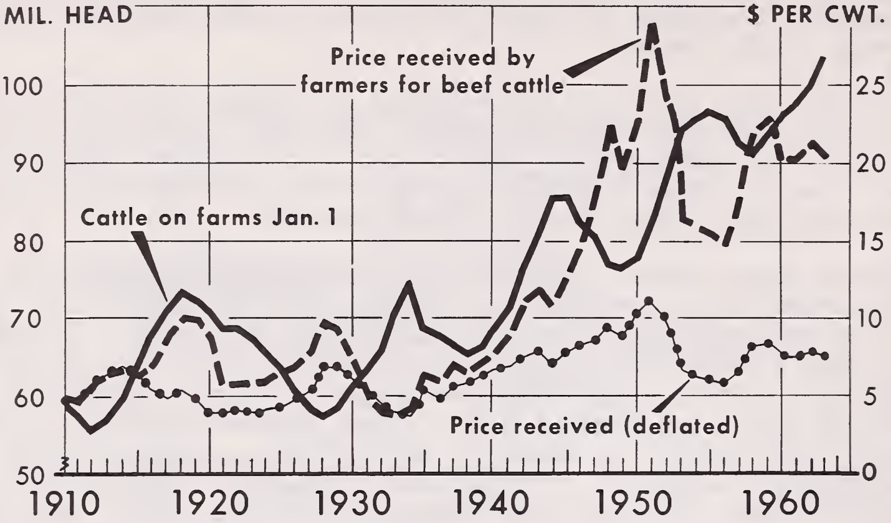
While the volume of feeders moving toward feedlots reportably has been slow, marketings through the winter likely will be above year-earlier levels. A disproportionately large share of cattle placed on feed in the third quarter and so far in the fourth quarter have been heavy feeders. Calves and light yearlings have not moved. Thus, cattle on feed in weight groups that require less than 6 months of feeding to attain market weights will probably be in larger numbers by January 1, 1964.

## Cattle and Calf Inventory Up Again This Year

Total numbers of cattle and calves on farms continued to increase in 1963 but likely at a slower rate than the gain of 3.8 percent made during 1962. Next year's beginning inventory likely will be close to 107 million head, about 3 percent above the 103.7 million head a year earlier. Larger slaughter has been reflected in a slower buildup in the herd.

Additions to inventory include the calf crop and net imports of live animals, primarily from Canada and Mexico. The preliminary estimate of the 1963 calf crop was 41.8 million head, up 2 percent from 41.0 million head in 1962. Total imports this year are expected to be down about 10 percent from the 1,250,000 imported in 1962. Most of the drop will be in imports from

## CATTLE NUMBERS AND PRICE



1962 AND 1963 DATA ARE PRELIMINARY. PRICE DEFLATED BY BLS WHOLESALE PRICE INDEX, ALL COMMODITIES (1910-14=100).

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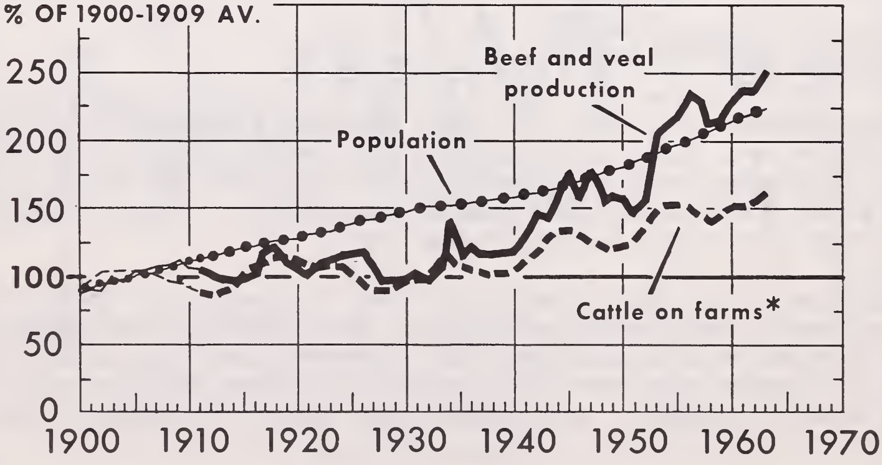
## CATTLE NUMBERS, BEEF PRODUCTION AND POPULATION



* CATTLE AND CALVES ON FARMS JAN. 1.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 441- 63 (10) ECONOMIC RESEARCH SERVICE

Canada. So far in 1963, imports from Mexico have held close to year-earlier levels. Thus, total additions to the inventory in 1963 will be 43 million head, or about 650,000 head larger than last year.

Disappearance of cattle and calves also will be up from a year ago. Cattle and calf slaughter likely will reach 35.4 million head, up 0.6 million from last year. Death losses will probably account for another 4.3 million. Thus, with a total inflow of about 43.0 million head and total disappearance of 39.7 million head, the inventory of cattle and calves may increase this year by 3.3 million head. The number on farms increased by 3.7 million head during 1962. The increase this year is likely to be across the board for beef cattle with all classes showing gains. While the milk cow herd is expected to continue its postwar downtrend, the cow herd used mainly for beef will again increase--the gain may be as high as 5 percent. More important, with a larger base, the source for future increases in the supply of feeder heifers and steers for feedlot replacement has also been expanded. Maintaining the current rate of growth in the beef cow herd sets the stage for continued recurring price pressure in the fed cattle market.

### 1964 Slaughter to Continue Large

Even with further expansion in cattle numbers, cattle slaughter will increase again in 1964. With reasonably normal weather conditions, prospects are for an increase in commercial cattle slaughter in 1964 of about 3 to 4 percent above the 27.3 million head expected for 1963.

In 1963, close to 80 percent of the cattle slaughtered under Federal inspection was from marketings of steers and heifers. Next year the number of cattle moving through feedlots before slaughter will probably expand. Feeders have been increasing the capacity of their lots and there will be more feeder animals available than during this year.

The rate of increase over a year earlier in fed cattle slaughter likely will not be the same throughout the year. The rate of slaughter in early 1964 will depend to some extent on the rate of marketings and placements of cattle and calves on feed in the fourth quarter of this year. Placements during the third quarter were up only 1 percent even though supplies of young beef animals not yet on feed were considerably above a year ago. Even if during the last quarter of 1963 placements of cattle and calves exceed year-ago levels by only a small amount and marketings are large it is likely that the animals on feed January 1 will still be above year-ago levels and at relatively heavy weights. Thus, fed cattle marketings in early 1964 could continue close to the heavy rate of the last quarter in 1963.

Cow slaughter in 1964 is expected to be up but only by a moderate amount. During the present expansion of the cattle cycle, a large part of cow slaughter has been from culling the dairy herd. In order to move as many heifers as possible through feedlots and still increase the basic beef cow herd, a small number of beef cows have been slaughtered in the past several years. This has increased the average age of the cow herd and points toward increased cow

Table 7.--Number of cattle and calves on farms January 1,
calf crop, number slaughtered and imports,
United States, 1955 to date

| Year | Number on farms January 1 | | Calf crop | Imports | Number slaughtered | | |
|---|---|---|---|---|---|---|---|
| | Cattle and calves | Cows | | | Cattle | Calves | Total |
| | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head |
| 1955 | 96,592 | 49,121 | 42,112 | 314 | 26,588 | 12,864 | 39,452 |
| 1956 | 95,900 | 48,283 | 41,376 | 159 | 27,755 | 12,999 | 40,754 |
| 1957 | 92,860 | 46,859 | 39,905 | 728 | 27,068 | 12,353 | 39,421 |
| 1958 | 91,176 | 45,430 | 38,860 | 1,152 | 24,368 | 9,738 | 34,106 |
| 1959 | 93,322 | 45,244 | 38,938 | 709 | 23,722 | 8,072 | 31,794 |
| 1960 | 96,236 | 45,871 | 39,353 | 663 | 26,026 | 8,611 | 34,637 |
| 1961 | 97,319 | 46,370 | 39,954 | 1,043 | 26,467 | 8,081 | 34,548 |
| 1962 | 99,782 | 47,379 | 40,960 | 1,250 | 26,905 | 7,854 | 34,759 |
| 1963 | 1/103,530 | 1/48,594 | 41,752 | 2/1,100 | 2/28,100 | 2/7,300 | 2/35,400 |
| 1964 | 3/106.5-107.0 | | | | | | |

1/ Preliminary. 2/ Partly forecast. 3/ Forecast.

slaughter in the next couple of years. However, barring extended drought, cow-calf operators are expected to continue increasing breeding herds as long as favorable feed conditions and strong feeder cattle prices prevail.

Underlying a further expansion is the rather optimistic long-run outlook for demand for beef. Prices of cows in 1964 will depend on imports of beef as well as domestic cow slaughter. Cow prices have been relatively stable in the past 3 years. The low level of domestic cow slaughter has been offset by substantial increases in imports of beef and veal in 1962 and again in 1963. Imports will likely be up again in 1964 as prices of cow beef, although expected to be somewhat lower, will not be down enough to curb imports of beef and veal.

Calf slaughter likely will again show some decline in 1964 from the 7.3 million head in 1963. The decline in 1963 is about 8 percent.

If weather conditions are average or above and cattlemen do not increase cattle slaughter by more than 3 to 4 percent, the build up of the cattle and calf inventory by the end of 1964 would likely be about 2 to 3 percent.

Any large increase in slaughter next year would, of course, decrease the gain in inventories. A 10 percent jump in slaughter would result in a leveling off of total inventory numbers. Increasing the rate of build up much over current rates by low levels of slaughter would strengthen the price situation in 1964 but might easily set the stage for a more difficult downward price adjustment later.

## Production and Price Prospects for 1964

The gain in beef production in 1964 likely will be around 3 percent--a little smaller than the increase in cattle slaughter because marketings likely will be at lighter weights. The experience in the past decade indicates that normal gains in population, income and continued preference for beef could make it possible to absorb 3 percent more beef and still maintain relatively stable prices to cattle producers. With consumer incomes likely to advance by a significant amount in 1964, prospects are that cattle prices for the year as a whole will not differ much from 1963 levels.

However, fed cattle marketings during the first quarter likely will be above the same quarter of 1963 and prices probably will average $1.00-$2.00 below the January-March 1963 average of $25.28. (Choice steers at Chicago) Placements of feeder cattle this fall and winter will determine fed cattle marketings in the final 3 quarters of 1964. If the number of feeders placed is up 5 to 10 percent in this fall and winter, prices of high-quality cattle in the second and third quarter will probably continue to average $23.00 to $24.00 with some months falling out of this price range if marketings are bunched and/or live weights remain at 1963 levels. Since most of the feeder cattle that will make up the bulk of 1964 slaughter supplies will go into feedlots at prices $2.00 to $3.00 below those slaughtered in 1963, the break even point will be somewhat lower next year.

## Low Feeding Returns and Losses in 1962-63

Cattle feeding programs representative of typical feeding programs in the Corn Belt generally showed small profits, and substantial losses in some cases, during the 1962-63 feeding season. This is in sharp contrast to the profitable feeding operations of 1961-62. Data in table 8 illustrate this. The programs are based on buying feeders in Kansas City and selling fat cattle in Chicago. Feeding periods range from 4 to 11 months.

According to these representative feeding programs, net returns per head have not been so low, or losses so large, in many years for most types of feeding operations. Compared with the previous season, lower returns were due primarily to a combination of higher prices for feeder stock and lower prices for fed cattle in all but one of the programs. Feed costs for all types of programs were somewhat higher in 1962-63, but this accounted for only a small part of the decline in net returns. Transportation and marketing expenses and pasture costs were practically the same in both years.

Short feeding of Medium yearling steers bought in September and October last year for sale at Good and Standard grades in January and February 1963 was the most profitable of the 6 representative feeding programs outlined in table 8. Net returns per head averaged about $12, compared with about $18 in 1961-62. The cost of Medium yearling steers in September-October 1962 was only slightly higher than a year earlier, and the selling prices of the Good and Standard steers in January and February 1963 were almost the same as a year earlier.

Table 8.--Specified costs and net returns in 6 selected Corn Belt cattle feeding programs, 1961-62 and 1962-63 1/

| Feeding program | 1961-62 | | | | 1962-63 | | | |
|---|---|---|---|---|---|---|---|---|
| | Price per 100 pounds | | | Net return per head 2/ | Price per 100 pounds | | | Net return per head 2/ |
| | Paid for feeder | Received for fed cattle | Margin | | Paid for feeder | Received for fed cattle | Margin | |
| | Dollars | Dollars | Dollars | Dollars | Dollars | Dollars | Dollars | Dollars |
| Calves | | | | | | | | |
| Heifer calves, short fed--<br>Bought as Good and Choice, Sept.-Oct.<br>Sold as Choice, June-July | 25.01 | 25.21 | +.20 | 29.88 | 26.20 | 23.40 | -2.80 | 7.14 |
| Steer calves, long fed--<br>Bought as Good and Choice, Sept.-Nov.<br>Sold as Choice, Aug.-Oct. | 27.86 | 29.18 | +1.32 | 64.87 | 30.49 | 24.24 | -6.25 | 1.46 |
| Yearlings | | | | | | | | |
| Medium yearling steers, short fed--<br>Bought as Medium, Sept.-Oct.<br>Sold as Good-Standard, Jan.-Feb. | 21.14 | 24.35 | +3.21 | 18.34 | 21.89 | 24.33 | +2.44 | 12.11 |
| Good yearling steers, short fed--<br>Bought as Good, Sept.-Nov.<br>Sold as Choice, Apr.-June | 23.79 | 26.24 | +2.45 | 28.08 | 25.74 | 23.02 | -2.72 | -20.12 |
| Yearling steers, long fed--<br>Bought as Good and Choice, Sept.-Nov.<br>Sold as Prime, July-Sept. | 24.68 | 30.14 | +5.46 | 72.41 | 26.99 | 25.02 | -1.97 | -4.74 |
| Heavy Steers | | | | | | | | |
| Heavy steers, short fed--<br>Bought as Good, Sept.-Nov.<br>Sold as Choice and Prime, March-May | 22.44 | 28.23 | +5.80 | 54.19 | 24.62 | 23.91 | -0.71 | -17.14 |

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1/ Feeding programs designed to be fairly representative of average feeding programs in the Corn Belt. Feeders are purchased in Kansas City and sold at Chicago.

2/ Net return over cost of corn, hay, protein supplement, pasture, transportation and marketing expenses. Does not include labor, overhead, cost of other feeds and death loss, or credit for manure and for hogs following feeders.

Short feeding of Good and Choice heifer calves and long feeding of Good and Choice steer calves were the other 2 programs which more than covered costs, although net returns were much lower than in 1961-62. Heifer calves bought as Good and Choice in September and October last year and sold as Choice in June and July 1963 probably would net about $7 per head, compared with almost $30 last year. Good and Choice steer calves bought in September through November last year and sold as Choice in August through October 1963 would have returned less than $1.50 per head, compared with almost $65 the previous year.

Short feeding of Good yearling steers and Good heavy steers from the fall of 1962 for sale at higher grades in the spring of 1963 likely showed heavy losses. Net loss per head on Good yearlings sold as Choice in April through June would be, on the average, about $20. Heavy steers sold as Choice and Prime from March through May would have lost about $17 per head. A year earlier the yearling program showed probable net returns per head of about $28 and the heavy steer program about $54.

Feeding Good and Choice yearling steers from the fall of 1962 for sale as Prime in July through September 1963 probably showed losses of between $4 and $5 per head. A year earlier net returns on this program were about $72 per head.

Feeder cattle prices in October this year are $2-$3 per 100 pounds below a year ago, thus reducing the cost of replacement stock from $10 to $20 per head. Feed costs probably will average at least equal to 1962-63 costs. Prices of high-protein feed supplies are expected to be at least as high, and hay prices probably will average somewhat higher for the 1963-64 feeding year. Even though fed cattle prices are expected to average slightly below the 1963 average price much of the first 3 quarters of 1964, prospects are that feeding profits will be higher next year.

## HOGS

### 1964 Hog Prices Up; Production Down

Hog prices during 1964 are expected to average a little higher than in 1963, in response to lower per capita supplies. The June-November 1963 pig crop likely will be down slightly from a year earlier. In the 10 Corn Belt States June-August farrowings were up about 2 percent, but September-November probably will be down about 3 percent. Breeding intentions reported in these same States in September indicate that farrowings may be down slightly in December-February from a year earlier; March-May litters may also be down. Therefore, slaughter supplies in 1964 are expected to fall below year-earlier levels before the beginning of the second quarter and then remain below the remainder of the year. Hog prices since March 1963 have not been favorable, when compared with corn prices, but likely will become more favorable again next spring. On balance, the business of hog raising is expected to be a little more profitable in 1964 than it was this year.

## 1963 Hog Prices and Slaughter Constantly Changing

Hog prices were fluctuating throughout 1963, reflecting rapidly changing slaughter supplies. (See hog slaughter and price charts on pages 2 and 25.) Barrows and gilts at 8 major markets averaged $15.65 in January and declined monthly to a low in April of $13.78. Hog prices quickly rose $4.66 to $18.44 in July only to make another rapid decline to an average of $15.56 in October (4-week average price). Hog prices didn't hold constant in 1963 because slaughter rates also kept moving up and down. When hog slaughter is charted for 1963, it forms an inverted "W". Supplies were especially large during late winter and late summer compared with the same weeks a year earlier. During these 2 periods, hog prices fell below year-earlier levels by the widest margin.

## Fall Slaughter Unusually Large

The June Pig Crop Report indicated a 1 percent increase in the number of pigs saved per litter during the months (December 1962-May 1963) when the majority of fall slaughter hogs are farrowed. The 10-State report in September revealed that the number of pigs saved per litter in March-May likely was up about 3 percent. No data for prior years are available for comparison. This would indicate that the effective supply of hogs born in March-May was up more than 1 percent. Recent slaughter rates appear to be higher than these reports indicated. Weekly hog slaughter under Federal inspection in September was up 27, 26, 18, and 8 percent from the same week a year earlier; rates were also above a year earlier through the first 3 weeks in October, but the margin has narrowed.

Several factors help explain the hog supply situation. Good growing weather this year in many of the more important hog-producing areas tended to put hogs in market flesh a few weeks earlier than usual. During similar weeks of 1962 some hogs were withheld from the market, which would tend to overstate the increase in supply this year. In addition, the number of sows farrowing from September 1963 through February 1964 is expected to be down from the same months last year. Fewer gilts may be going into the basic sow herds during this period, so this would also add to the available supply of slaughter hogs. Sow slaughter could also be a little larger for the same reason.

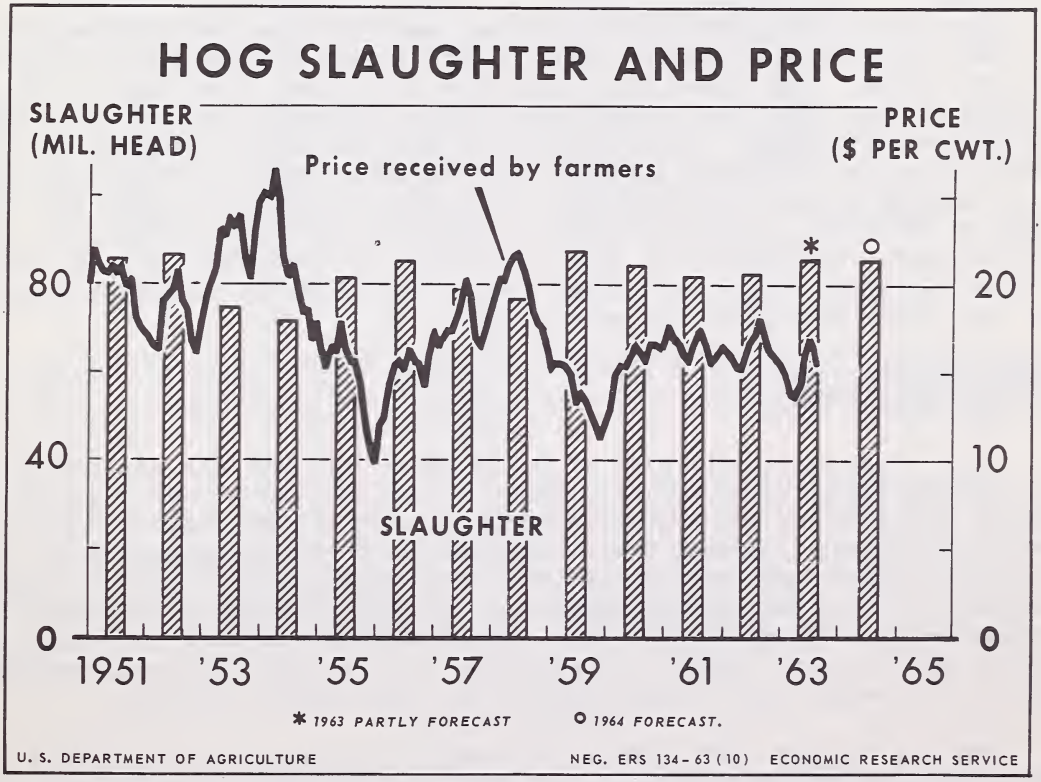
Such high rates of slaughter in late summer precipitated lower prices. Barrows and gilts at 8 major markets dropped $1.44 from the last week in August to the first week in October.

However, the number of hogs slaughtered in summer and early fall was probably large enough to lower the supply of pigs that were farrowed in December 1962-May 1963 to the point that slaughter rates will have to fall below year-earlier rates during some of the remaining weeks of 1963. Hog slaughter under Federal inspection so far in the second half of 1963 has been

Table 9.--Pig crops and hog slaughter, United States, 1955 to date, with slaughter forecast for 1964

| Year | Pig crop |  |  | Total slaughter 1/ |
|---|---|---|---|---|
|  | Spring | Fall | Total |  |
|  | 1,000 head | 1,000 head | 1,000 head | 1,000 head |
| 1955 | 57,610 | 38,119 | 95,729 | 81,051 |
| 1956 | 53,124 | 36,302 | 89,426 | 85,064 |
| 1957 | 51,263 | 36,099 | 87,362 | 78,636 |
| 1958 | 51,354 | 42,179 | 93,533 | 76,822 |
| 1959 | 56,620 | 42,775 | 99,395 | 87,606 |
| 1960 | 47,282 | 41,105 | 88,387 | 84,196 |
| 1961 | 50,441 | 42,594 | 93,035 | 82,050 |
| 1962 | 49,692 | 44,543 | 94,227 | 83,579 |
| 1963 | 50,018 | 2/44,500 | 2/94,518 | 3/86,500 |
| 1964 |  |  |  | 4/85,500 |

1/ Including farm. 2/ Approximation based on farrowing intentions report for U. S. in June and for 10 States in September. 3/ Partly forecast. 4/ Forecast.



* 1963 PARTLY FORECAST o 1964 FORECAST.

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more than 1.4 million head higher than in the same period last year. Hog prices probably will not attain last year's fourth quarter average of $16.51, but their seasonal decline may be interrupted somewhat.

Current hog prices are also being affected by large supplies of other meats and by unusually large stocks of pork in cold storage. Stocks this October were down 10 million pounds from a month earlier, but were 71 million above the October 1962 level of 139 million pounds. October 1963 stocks represent a 10-day supply of pork at the 1962 per capita consumption rate of 63.9 pounds.

## First Half 1964 Slaughter Supplies to Be Down

Pigs born in the last half of 1963 make up the main source of slaughter hogs in the first half of next year. According to the September Pig Crop Report, June-November farrowings in the Corn Belt will be down about 1 percent from a year earlier. June-August farrowings were up 2 percent, but September-November farrowings are expected to be down 3 percent. Applying a 7-month lag from the time pigs are born until they reach slaughter weights, slaughter hog supplies likely will fall below 1963 rates before the end of the first quarter of 1964. Then they will probably remain below 1963 rates through the second quarter of 1964.

If this farrowing pattern in the last half of this year materializes, hog prices probably will decline early in 1964 before beginning their seasonal rise next spring. Hog prices will enter 1964 at a lower level than at the beginning of this year, but are not expected to decline as rapidly as in 1963, or go as low next spring. (Low in spring of 1963 was $13.78 in April for barrows and gilts at 8 major markets.) At the same time, it is unlikely that the prospective reduction in slaughter will be large enough to raise hog prices as high as they got in the first half of 1962 when they averaged $16.36. As mentioned above, the pattern of sows farrowing is at best only an indicator of future slaughter. Fall and winter weather can alter the number of pigs saved per litter and affect the rate of gain.

## December 1963-May 1964 Pig Crop Likely Down

To a large extent the size of the December 1963-May 1964 pig crop will determine hog slaughter and prices during the second half of 1964. Producers reported intentions in the September Pig Crop Report to decrease December-February farrowings 1 percent from a year earlier. This is an indication that the entire December-May crop will be down, because producer intention figures in recent years (in September reports) have usually exceeded actual farrowings in the subsequent December-May period. If the December-May pig crop declines slightly, as now seems likely, hog slaughter will be lower and prices somewhat higher in the second half of 1964 than in the like period this year.

Most of the hogs that will go to slaughter in the first 3 quarters of 1964 have either been born or will come from sows that have already been bred.

Table 10.--Prices received by farmers for hogs and corn, hog-corn price ratio and corn support prices, Sept.-Dec., 1956 to date

| Year | Hog price, per 100 pounds |  |  |  | Corn price, per bushel |  |  |  |
|---|---|---|---|---|---|---|---|---|
|  | Sept. | Oct. | Nov. | Dec. | Sept. | Oct. | Nov. | Dec. |
|  | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. |
| 1956 | 15.70 | 15.50 | 14.30 | 16.20 | 1.43 | 1.19 | 1.21 | 1.22 |
| 1957 | 19.10 | 17.00 | 16.60 | 17.80 | 1.15 | 1.06 | .985 | .984 |
| 1958 | 19.90 | 18.50 | 17.90 | 17.50 | 1.13 | 1.04 | .942 | 1.02 |
| 1959 | 13.30 | 12.60 | 12.10 | 11.30 | 1.09 | .990 | .982 | .959 |
| 1960 | 15.70 | 16.70 | 16.60 | 16.50 | 1.06 | .991 | .866 | .911 |
| 1961 | 17.50 | 16.60 | 15.70 | 16.10 | 1.04 | 1.02 | .938 | .947 |
| 1962 | 18.10 | 16.60 | 16.20 | 15.70 | 1.04 | 1.02 | .938 | 1.00 |
| 1963 | 15.40 | 15.20 |  |  | 1.21 | 1.08 |  |  |

| Year | Hog-corn price ratio |  |  |  | Corn support price per bushel 1/ |  |
|---|---|---|---|---|---|---|
|  | Sept. | Oct. | Nov. | Dec. | For compliers | For non-compliers |
|  |  |  |  |  | Dol. | Dol. |
| 1956 | 11.0 | 13.0 | 11.8 | 13.3 | 1.50 | 1.25 |
| 1957 | 16.6 | 16.0 | 16.9 | 18.1 | 1.40 | 1.10 |
| 1958 | 17.6 | 17.8 | 19.0 | 17.2 | 1.36 | 1.06 |
| 1959 | 12.2 | 12.7 | 12.3 | 11.8 | 1.12 |  |
| 1960 | 14.8 | 16.9 | 19.2 | 18.1 | 1.06 |  |
| 1961 | 16.8 | 16.3 | 16.7 | 17.0 | 1.20 |  |
| 1962 | 17.4 | 16.3 | 17.3 | 15.7 | 1.20 |  |
| 1963 | 12.7 | 14.1 |  |  | 1.25 |  |

1/ National average support prices for farmers complying or not complying with their acreage allotments. Beginning in 1961 available to producers participating in the Feed Grain Program.

And before early winter, sows will be bred to produce hogs for slaughter in the fourth quarter. Hog prices and production costs during 1963 have probably been the main reason for a small prospective reduction in the supply of hogs for 1964. See table 10. Hog prices this fall are the lowest for this season of the year since 1959 and corn prices are the highest since 1957. The hog-corn price ratio has reflected this and likely has dampened the outlook of hog producers.

## SHEEP AND LAMBS

On January 1, 1963, the inventory of all sheep and lambs on farms and ranches was 30,170,000. This was the second smallest beginning inventory since

Table 11.--Selected prices per 100 pounds of livestock by months, 1962 and 1963

| Month | Barrows and gilts at 8 markets 1/ | | Sows at 8 markets 1/ | | Choice lambs at Denver | | Good ewes at Denver | |
|---|---|---|---|---|---|---|---|---|
| | 1962 | 1963 | 1962 | 1963 | 1962 | 1963 | 1962 | 1963 |
| | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. |
| Jan. | 16.98 | 15.65 | 14.14 | 13.37 | 16.88 | 19.79 | 7.17 | 8.08 |
| Feb. | 16.69 | 15.14 | 14.40 | 13.32 | 16.79 | 19.00 | 7.25 | 7.76 |
| Mar. | 16.31 | 14.07 | 14.47 | 12.41 | 16.86 | 19.07 | 7.28 | 8.33 |
| Apr. | 15.81 | 13.78 | 13.55 | 11.97 | 20.32 | 19.48 | 5.76 | 8.68 |
| May | 15.51 | 15.01 | 13.35 | 12.77 | 20.97 | 22.29 | 6.49 | 5.96 |
| June | 16.87 | 17.10 | 13.93 | 13.84 | 21.86 | 22.32 | 5.86 | 6.92 |
| July | 18.30 | 18.44 | 14.93 | 14.98 | 21.04 | 20.72 | 6.13 | 5.77 |
| Aug. | 18.50 | 17.55 | 15.93 | 15.07 | 21.12 | 20.44 | 6.11 | 5.88 |
| Sept. | 18.82 | 15.89 | 16.76 | 14.22 | 20.62 | 19.48 | 6.34 | 5.64 |
| Oct. | 16.87 | 2/15.56 | 14.95 | 2/13.87 | 20.42 | 2/19.11 | 6.47 | 2/5.71 |
| Nov. | 16.50 | | 14.32 | | 20.14 | | 7.15 | |
| Dec. | 16.16 | | 13.28 | | 19.71 | | 7.48 | |
| Average | 16.82 | | 14.53 | | 19.73 | | 6.62 | |

1/ Average for all weights at Midwest markets. 2/ 4-week average.

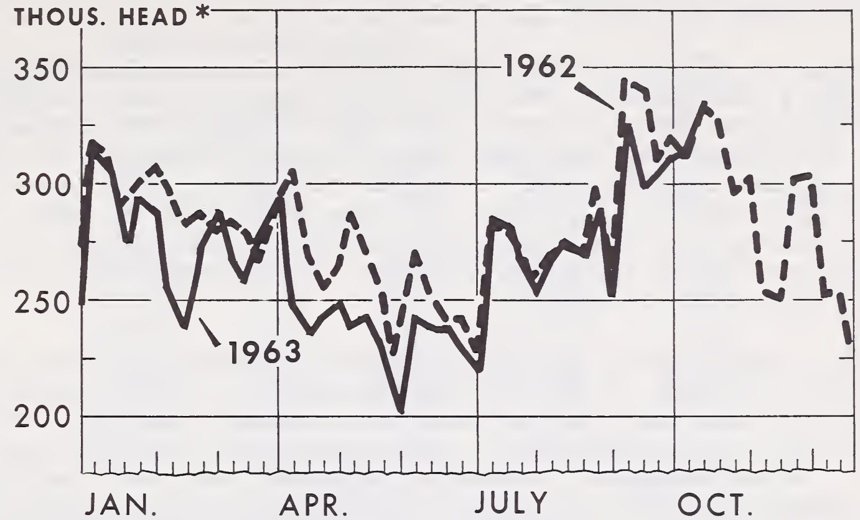
Compiled from Market News, Livestock Division, AMS.

records on total sheep and lambs became available in 1900. The smallest inventory was in 1950, when the number was 29,826,000. The January 1963 inventory reflected the continuing downward trend from the record-high inventory of 56,213,000 on January 1, 1942.

Stock sheep accounted for 26,129,000 of the beginning inventory this year. This was the smallest number of sheep for breeding on January 1 on record. However, the 1963 lamb crop of 19,695,000 was not the smallest, because of the trend toward saving more lambs than in earlier years in relation to number of ewes 1 year and older. The 1963 lamb crop was down 3 percent from 1962 and the smallest in a decade. Since 1924, when records of the lamb crop first became available, crops were smaller than in 1963 only from 1948 through 1953.

The 11 Western States, Texas, and South Dakota combined have a little more than two-thirds of the U. S. ewes 1 year old and older and produce about two-thirds of the U. S. lamb crop. In the 1950's, these 13 States accounted for somewhat smaller proportions of the U. S. inventory of ewes and the Native States slightly larger proportions. This trend has been reversed, Western States in the past 3 years have accounted for more than 69 percent of the U. S. inventory of ewes. In 1963, 70.7 percent of ewes were in these 13 States.

## SHEEP AND LAMB SLAUGHTER



* FEDERALLY INSPECTED.

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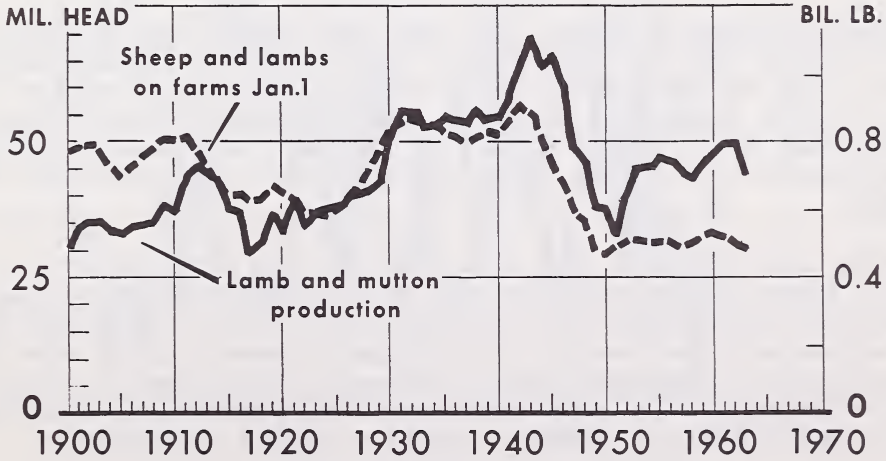
## SHEEP NUMBERS AND LAMB AND MUTTON PRODUCTION



1963 FORECAST.

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The Western States also have saved a larger number of lambs per 100 ewes than in the past. While weather conditions at lambing time still affect the lamb crop more in the Western States than in the Native States, the difference in lambs saved between the 2 areas has narrowed.

The smaller lamb crop in 1963 was reflected in a smaller volume of slaughter than a year earlier. For 1963, total sheep and lamb slaughter probably will be down about 6 percent from 1962. Slaughter is estimated at a little over 16 million head this year compared with 17.2 million in 1962. This will allow civilian consumption of 4.9 pounds per person, about one-half pound less than in 1962 and 1961, and almost the same as in 1959 and 1960. With slaughter at this level, herd liquidation in 1963 will have slowed down to close to 2 percent of the beginning inventory. Liquidation during 1962 took place at the rate of 3.7 percent.

In the first 6 months of 1963, commercial slaughter of sheep and lambs was lower each month than in the corresponding month of 1962. Commercial slaughter in the first half was 9 percent below January-June 1962. Slaughter increased in July to 2 percent above a year earlier, but in August was 5 percent below. Through September, commercial slaughter was down 7 percent. In the first 3 weeks of October, slaughter under Federal inspection held about even with a year earlier.

Prices received by farmers for lambs were from $.40 to $2.00 per 100 pounds higher than a year earlier each month of the first half of 1963. Prices were $19.10 in July, the same as in July 1962, but were below a year earlier by $.50 in August and $.70 in September. Further seasonal price declines are expected the last 3 months this year; prices probably will remain below year-earlier levels. Large supplies of fed beef during late 1963 and early 1964 will continue to offer stiff competition even though lamb slaughter will be down.

Prices received by farmers for sheep were higher than a year earlier each month through the first 8 months of 1963 but were a little lower in September. They are expected to remain a little lower than last year during the rest of 1963. Almost all mutton is used in processed meat products and its market seems to be related to that of cow beef. Cow slaughter will increase seasonally in late 1963, while cow prices are expected to be below a year earlier.

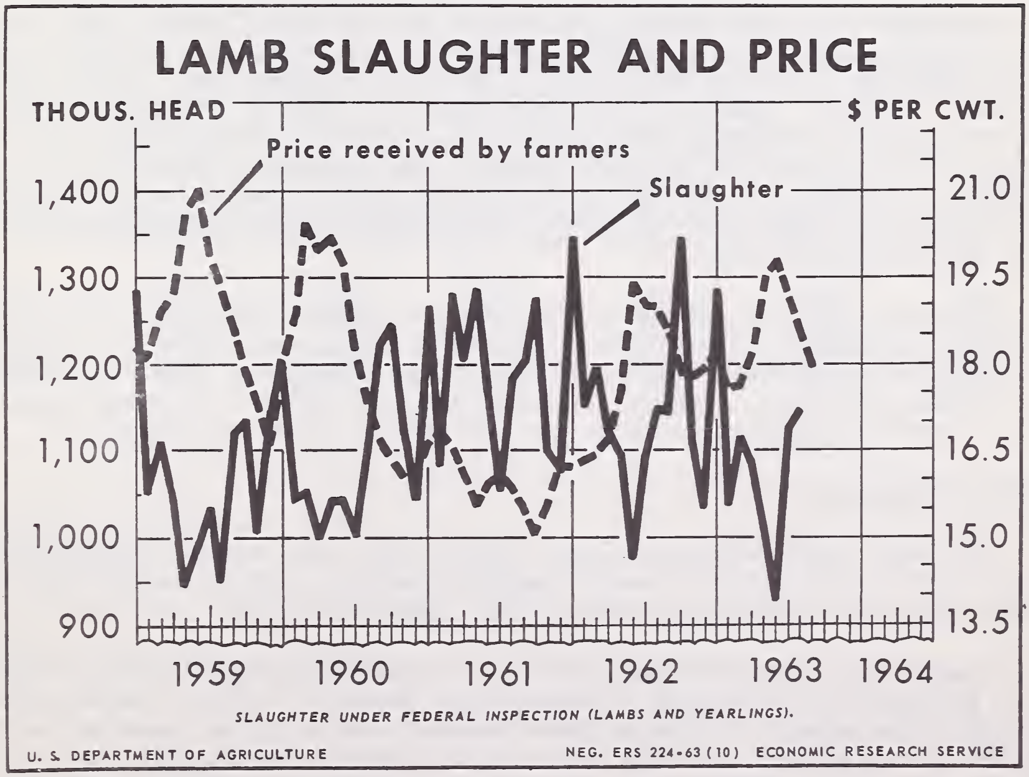
Feeder lamb prices in 1963 were substantially above those of 1962 until September. Denver prices were more than $3.00 higher early in the year. The difference narrowed to about $.50 in August, and prices in September were almost the same as a year earlier. In October, however, prices were from $.75 to $1 below October prices last year. Prices of Choice feeder lambs at Omaha followed a similar pattern, although early in the year they were not much higher than in 1962 and in October were still above a year earlier.

Fall movement of sheep and lambs has been slow. By October 1, only a little over half of the expected sales of sheep and lambs had been made or contracted. This was about the same as in 1959 and 1960, but in 1961 and 1962 about two-thirds of the marketings were completed by October 1.

Table 12.--Sheep and lambs on farms and ranches January 1, lamb crop, number slaughtered, and wool production, United States, 1955 to date

| Year | Number on farms January 1 | | | Lamb crop | Total slaughter 1/ | Shorn wool production |
|---|---|---|---|---|---|---|
| | Stock sheep | On feed | Total | | | |
| | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head | Mil. lb. |
| 1955 | 27,137 | 4,445 | 31,582 | 20,214 | 16,553 | 241 |
| 1956 | 26,890 | 4,267 | 31,157 | 20,336 | 16,328 | 242 |
| 1957 | 26,348 | 4,306 | 30,654 | 19,810 | 15,292 | 239 |
| 1958 | 27,167 | 4,050 | 31,217 | 20,686 | 14,495 | 244 |
| 1959 | 28,108 | 4,498 | 32,606 | 21,120 | 15,528 | 260 |
| 1960 | 28,849 | 4,321 | 33,170 | 21,283 | 16,239 | 265 |
| 1961 | 28,571 | 4,411 | 32,982 | 21,266 | 17,536 | 261 |
| 1962 | 27,065 | 4,255 | 31,320 | 20,310 | 17,171 | 248 |
| 1963 2/ | 26,129 | 4,041 | 30,170 | 19,690 | 15,900 | 241 |
| 1964 | | | 3/29.3-29.7 | | 3/15,600 | |

1/ Including farm. 2/ Preliminary. 3/ Forecast.



LAMB SLAUGHTER AND PRICE

SLAUGHTER UNDER FEDERAL INSPECTION (LAMBS AND YEARLINGS).

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## 1964 Outlook

The number of sheep and lambs on farms and ranches on January 1, 1964, will likely decline further to about 29.3 million to 29.7 million, lower than ever recorded. The number of sheep and lambs on feed probably will be down about 5 percent from January 1963, when 4.0 million were on feed. It is estimated that ewes added to breeding herds during 1963 did not quite offset death losses and slaughter. The number of ewes 1 year old and older at the beginning of 1964 is expected to be down a little more than in the last 2 years. If the proportion of lambs saved follows the same relationship to number of ewes as in recent years, a 1964 lamb crop 4 to 5 percent smaller than in 1963 can be expected. Slaughter of sheep and lambs in 1964 likely will again be down a little, and prices will average about the same.

* * * * * *

## OUTLOOK FOR SAUSAGE MEATS

Sausage production in 1963 probably will total almost 5 percent above a year earlier, with all classes of sausage showing an increase. Sausage production under Federal inspection during the first three quarters of 1963 was larger for all major groupings. Dried or semi-dried items made the largest gain over 1962 rates.

Thus far this year sausage production has increased faster than total meat production, which was up about 4 percent from the first 9 months of 1962. Cow slaughter was slightly lower than in the same months a year earlier through September. However, imports of all meat--much of which is fresh and frozen meats for further processing--were up about 15 percent through the first three quarters of 1963. The bulk of this increase was in imports of beef. Meat stocks in cold storage at the beginning of the fourth quarter were 44 percent higher than on the same date in 1962. This meat will add to the available supply this fall and winter.

Prospects are for sausage production to increase again next year. Domestic meat production likely will make a modest gain, and while cow slaughter isn't expected to increase substantially, it may be up more than slaughter of other classes of cattle. Imports of meat also are likely to increase again in 1964 and continue to supply a large part of manufacturing meat supplies.

## USDA Meat Purchases

The USDA began purchasing lard, canned pork, and canned chopped meat in September for distribution to needy families, schools, and institutions. The programs provide for weekly purchases until further notice.

Purchases of lard through October 25 totaled 19,796,400 pounds, at a f.o.b. cost of $2,304,318. Purchases of canned pork packed in natural juices, for distribution to schools in the National School Lunch Program, amounted to 4,936,680 pounds ($2,477,825) from September 26 through October 25. Purchases of canned chopped meat--consisting of pork and optional beef and

Table 13.--Cattle and hog slaughter, meat imports and stocks, and sausage production, by quarters 1962 to date

| Period | Federally inspected slaughter | | | | | |
|---|---|---|---|---|---|---|
| | Cattle | | | | Hogs | |
| | Total | | Cows | | | |
| | 1962 | 1963 | 1962 | 1963 | 1962 | 1963 |
| | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head |
| Jan.-Mar. | 4,897 | 5,048 | 954 | 966 | 17,635 | 18,557 |
| Apr.-June | 5,006 | 5,354 | 899 | 881 | 16,513 | 17,133 |
| July-Sept. | 5,289 | 5,567 | 1,145 | 1,068 | 14,651 | 16,037 |
| Oct.-Dec. | 5,145 | 1/5,700 | 1,252 | 1/1,300 | 18,972 | 1/18,600 |
| Year | 20,337 | | 4,250 | | 67,771 | |

| Period | Imports all meat 3/ | | Meat stocks in cold storage beginning of quarter 4/ | | Sausage production 5/ | |
|---|---|---|---|---|---|---|
| | 1962 | 1963 | 1962 | 1963 | 1962 | 1963 |
| | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. |
| Jan.-Mar. | 297 | 343 | 485 | 506 | 599 | 616 |
| Apr.-June | 255 | 308 | 552 | 637 | 644 | 670 |
| July-Sept. | 358 | 1/400 | 512 | 618 | 626 | 666 |
| Oct.-Dec. | 342 | 2/380 | 359 | 518 | 619 | 2/655 |
| Year | 1,253 | | | | 2,488 | |

1/ Partly estimated.

2/ Forecast.

3/ Total red meat imports, product weight.

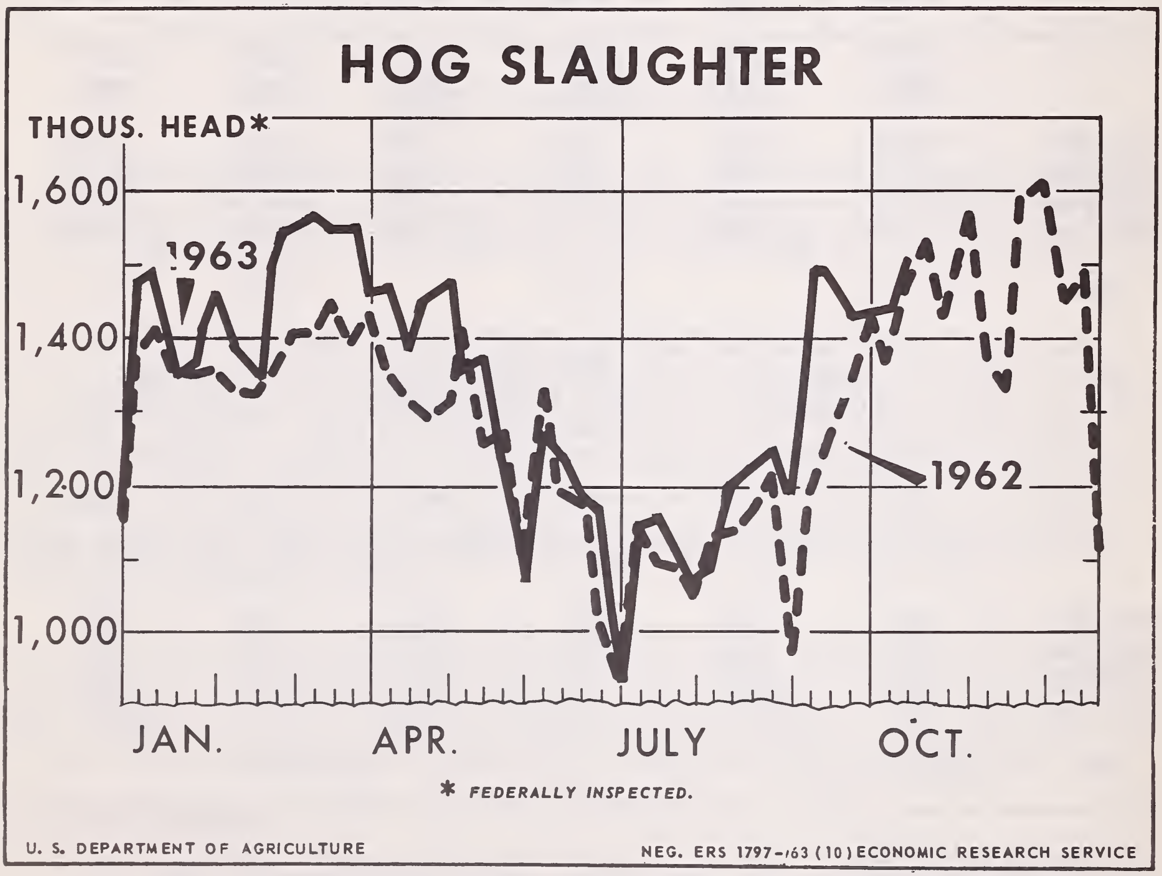
4/ Includes beef, veal, pork, lamb, mutton, and canned meats in public cold storage.

5/ Federally inspected production of all sausage, including loaf, head cheese, jellied products and the following canned items: Luncheon meat, viennas, franks and weiners in brine, deviled ham, other potted or deviled meat food products, bulk sausage and sausage in oil.

mutton--for distribution to needy families totaled 25,248,510 pounds ($9,239,650) from the beginning of the program on September 11 through October 28.

In October the USDA announced the end of a program of frozen ground beef purchases for the National School Lunch Program. From the beginning of the program on August 19 through October 25, purchases amounted to 33,369,000 pounds ($13,410,400). Deliveries are to be completed during the week of December 9.

Funds for the program for needy families are provided under Sec. 32, Public Law 320. Funds for the school lunch program are provided under Sec. 6 of the National School Lunch Act.



# THE IMPORT SITUATION FOR BEEF AND VEAL

Cattlemen have experienced recurring price difficulties in the fed cattle market in recent years. During the same period, imports of beef and veal have been increasing. Because of growing imports and price pressures in the fed cattle market, questions have been raised whether imports are the primary cause of lower fed cattle prices. This statement attempts to summarize some of the relevant considerations relating to this concern of the cattle industry.

## Imports are Increasing

Imports of beef and veal have been increasing in recent years, reaching 1,445 million pounds carcass weight in 1962 (table A). Imports during January-August 1963 were 22 percent above the same months of 1962. Australia, which, in 1962, contributed 46 percent to the total U. S. tonnage imported, showed the largest increase as a source of imports over recent years.

Prior to 1959, imports from Australia were relatively small (table K). In late 1958 the United Kingdom-Australian Meat Agreement, which restricted Australia from shipping other than token quantities of meat to countries other than the United Kingdom was modified. Since then, Australia has increased its meat production and exports, and has emphasized exports to the United States. Australian exports of beef and veal amounted to 549 million pounds in 1962, of which 81 percent was shipped to the United States. Cattle numbers in Australia have increased in the last 4 years, and supplies of meats for export are expected to continue at high levels.

New Zealand contributed 22 percent of the total product imported into the United States and was the second largest supplier last year. For the past 3 years, the United States has been the major market for New Zealand's boneless beef exports, taking over 90 percent of its exports in all 3 years.

Imports of beef and veal from Argentina, a large supplier of the U. S. market in prior years, have declined to a low level. The primary reason for this is the decline in demand for canned meat, which came largely from Argentina.

In addition to beef and veal imports, 1,232,000 head of dutiable cattle and calves were imported from Canada and Mexico in 1962 (tables C, G and H). For the first 8 months of 1963, imports of live animals were 5 percent below year-earlier levels. Beef and veal imports plus the meat equivalent of feeder cattle imports have risen in recent years at a faster rate than U. S. beef and veal production. In 1962, beef and veal imports and the carcass equivalent of live cattle imports equaled 10.6 percent of domestic production, compared with 7.9 in 1961 (table I). These imports have been continuing at about the same percentage rate thus far in 1963.

Table A.--United States beef and veal imports, carcass weight equivalent

| Year | Beef | | | | | | | | Total veal | Total beef and veal |
|---|---|---|---|---|---|---|---|---|---|---|
| | Fresh and frozen | Pickled and cured | Canned | Sausage | Other beef | Other canned N.S.P.F. | Boneless | Total beef | | |
| | 1,000 pounds | 1,000 pounds | 1,000 pounds | 1,000 pounds | 1,000 pounds | 1,000 pounds | 1,000 pounds | 1,000 pounds | 1,000 pounds | 1,000 pounds |
| 1954 | 7,520 | 27,416 | 168,784 | 398 | 8,187 | 5,766 | 12,537 | 230,608 | 1,048 | 231,656 |
| 1955 | 6,112 | 6,172 | 172,498 | 371 | 8,305 | 6,629 | 28,674 | 228,761 | 275 | 229,036 |
| 1956 | 5,140 | 9,799 | 143,999 | 468 | 7,338 | 6,915 | 36,894 | 210,553 | 245 | 210,798 |
| 1957 | 32,863 | 12,794 | 188,624 | 586 | 7,976 | 18,975 | 128,520 | 390,338 | 4,878 | 395,216 |
| 1958 | 58,880 | 7,250 | 224,606 | 874 | 12,691 | 176,753 | 414,488 | 895,542 | 13,506 | 909,048 |
| 1959 | 39,136 | 8,407 | 187,441 | 1,230 | 10,439 | 120,083 | 680,317 | 1,047,053 | 16,138 | 1,063,191 |
| 1960 | 14,685 | 1,107 | 151,538 | 1,135 | 8,369 | 26,636 | 556,765 | 760,235 | 15,275 | 775,510 |
| 1961 | 25,096 | 1,115 | 188,563 | 1,128 | 10,010 | 29,833 | 764,905 | 1,020,650 | 16,474 | 1,037,124 |
| 1962 | 18,767 | 620 | 166,238 | 1,159 | 16,223 | 28,908 | 1,187,632 | 1,419,547 | 25,511 | 1,445,058 |
| 1963 (Jan.-Aug.) | 12,255 | 533 | 148,626 | 669 | 12,123 | 22,461 | 876,756 | 1,073,423 | 12,100 | 1,085,523 |

Table B.--United States production of beef and veal by major classes, imports of beef and veal, and prices

| Year | Production of steer and heifer beef, and veal 1/ | | Production of cow and bull beef 1/ | | Imports of beef and veal 2/ | | Cow and bull beef production plus imports | | Prices at Chicago | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Actual | Per capita | Actual | Per capita | Actual | Per capita | Actual | Per capita | Utility cows | Choice steers |
| | Mil. lb. | Lb. | Mil. lb. | Lb. | Mil. lb. | Lb. | Mil. lb. | Lb. | Dol. | Dol. |
| 1947 | 7,564 | 53.0 | 4,025 | 28.5 | 64 | 0.4 | 4,089 | 28.7 | 14.26 | 26.22 |
| 1948 | 6,495 | 44.7 | 3,594 | 24.8 | 356 | 2.4 | 3,950 | 27.2 | 19.49 | 30.96 |
| 1949 | 7,412 | 50.2 | 2,970 | 20.1 | 254 | 1.7 | 3,224 | 21.8 | 16.33 | 26.07 |
| 1950 | 7,235 | 48.2 | 3,150 | 21.0 | 505 | 3.4 | 3,655 | 24.3 | 19.36 | 29.68 |
| 1951 | 6,543 | 43.3 | 2,978 | 19.7 | 575 | 3.8 | 3,553 | 23.5 | 24.48 | 35.96 |
| 1952 | 7,482 | 48.8 | 2,935 | 19.1 | 476 | 3.1 | 3,411 | 22.2 | 19.53 | 33.18 |
| 1953 | 9,760 | 62.6 | 3,746 | 24.0 | 333 | 2.1 | 4,079 | 26.1 | 12.41 | 24.14 |
| 1954 | 10,031 | 63.0 | 4,121 | 25.9 | 267 | 1.7 | 4,449 | 28.0 | 11.46 | 24.66 |
| 1955 | 10,251 | 63.2 | 4,449 | 27.4 | 322 | 2.0 | 4,771 | 29.4 | 11.52 | 23.16 |
| 1956 | 11,262 | 68.1 | 4,369 | 26.4 | 254 | 1.5 | 4,623 | 28.0 | 11.37 | 22.30 |
| 1957 | 11,208 | 66.6 | 4,086 | 24.3 | 616 | 3.7 | 4,702 | 27.9 | 13.61 | 23.83 |
| 1958 | 10,894 | 63.6 | 3,192 | 18.6 | 1,249 | 7.3 | 4,441 | 25.9 | 18.41 | 27.42 |
| 1959 | 11,278 | 64.6 | 2,884 | 16.5 | 1,254 | 7.2 | 4,138 | 23.7 | 17.79 | 27.83 |
| 1960 | 12,387 | 69.8 | 3,012 | 17.0 | 938 | 5.3 | 3,950 | 22.3 | 15.68 | 26.24 |
| 1961 | 13,137 | 72.8 | 2,753 | 15.3 | 1,287 | 7.1 | 4,040 | 22.4 | 15.66 | 24.65 |
| 1962 | 12,945 | 70.8 | 2,922 | 16.0 | 1,725 | 9.4 | 4,677 | 25.6 | 15.50 | 27.67 |

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1/ Estimated from total commercial slaughter.
2/ Includes meat equivalent of live animals imported.

Table C.--Inspected imports of cattle, by months, 1961 to date 1/

| Month | From Canada | | | From Mexico | | |
|---|---|---|---|---|---|---|
| | 1961 | 1962 | 1963 | 1961 | 1962 | 1963 |
| | Number | Number | Number | Number | Number | Number |
| Jan. | 22,321 | 23,371 | 29,253 | 68,909 | 82,886 | 105,876 |
| Feb. | 8,618 | 14,694 | 15,383 | 47,411 | 83,777 | 71,382 |
| Mar. | 9,837 | 24,412 | 11,997 | 59,976 | 83,568 | 58,070 |
| Apr. | 14,744 | 27,411 | 22,422 | 65,741 | 73,673 | 84,077 |
| May | 18,560 | 32,784 | 17,533 | 32,109 | 50,970 | 46,297 |
| June | 13,822 | 16,870 | 11,480 | 8,311 | 15,085 | 15,326 |
| July | 32,867 | 14,476 | 9,205 | 3,944 | 8,748 | 14,681 |
| Aug. | 59,886 | 21,978 | 10,090 | 11,061 | 16,547 | 10,154 |
| Sept. | 65,101 | 28,402 | | 16,319 | 25,594 | |
| Oct. | 122,866 | 101,066 | | 43,396 | 71,273 | |
| Nov. | 110,327 | 135,561 | | 78,986 | 129,043 | |
| Dec. | 27,352 | 57,757 | | 104,034 | 131,751 | |
| Year | 506,301 | 498,782 | | 540,197 | 772,915 | |

1/ Inspected when offered for importation.

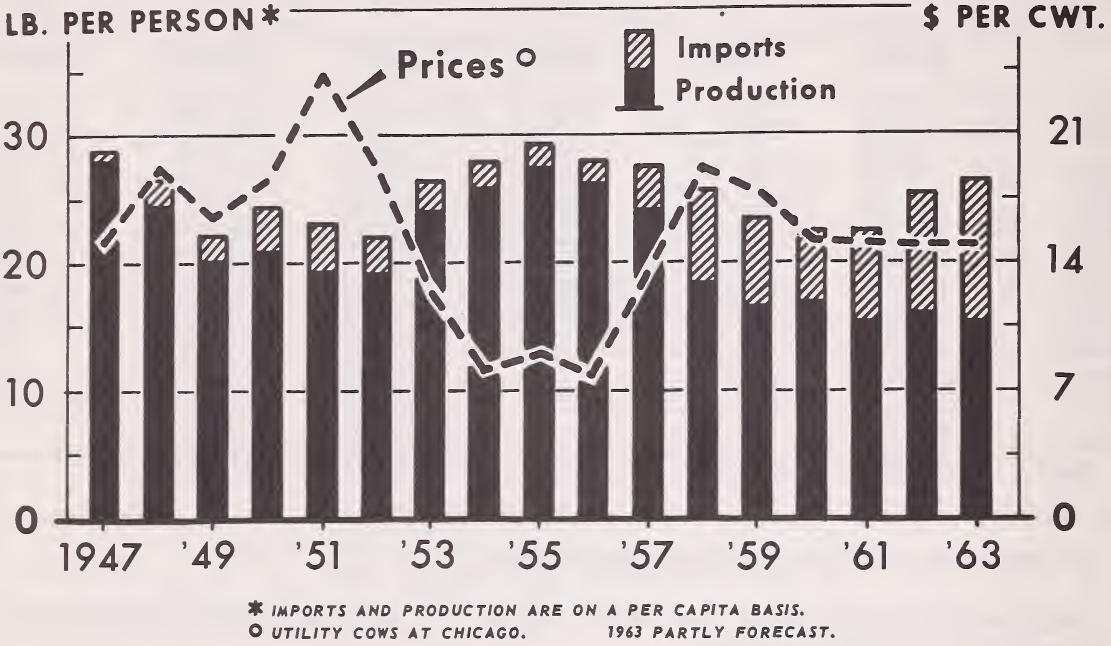
Compiled from reports of the Animal Inspection and Quarantine Division of the Agricultural Research Service.

Kind of Beef Imported

Imported beef is largely boneless frozen lower-grade beef suitable mainly for use in the processed meat industry. Of the beef and veal imports thus far in 1963, carcass weight, 81 percent was boneless beef; 14 percent was canned beef. Relatively little bone-in or chilled beef was imported.

The composition of beef and veal imports has changed since the mid-1950's. During the period 1954-56, canned beef, mainly from South American countries, made up 72 percent of the total imports of beef and veal. As large-scale transportation and handling facilities of frozen products developed, imports of boneless beef took on increasing importance. Some of the boneless frozen beef is suitable for uses other than processed products. Even so, quality is believed to compare generally to that of the lower grades of domestic beef.

The volume of beef and veal imports was relatively large when cow slaughter was low and vice versa. Thus, the volume of imports tended to vary with the cattle cycle: cow slaughter tends to decline when cattle inventories are increasing and rise when herds are being reduced. For example, beef and



COW BEEF PRODUCTION, IMPORTS OF BEEF AND VEAL, AND COW PRICES

* IMPORTS AND PRODUCTION ARE ON A PER CAPITA BASIS.
° UTILITY COWS AT CHICAGO. 1963 PARTLY FORECAST.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 2507-63 (10) ECONOMIC RESEARCH SERVICE

veal imports were nearly cut in half when production of U. S. cow beef rose from an average of 3.0 billion pounds in 1950-52 to 4.3 billion pounds in 1954-56 (table B). During the same period, beef and veal imports plus the carcass equivalent of live animals decreased from an average of 512 million pounds to 284 million. Prices of Utility cows at the high level of imports (1950-52) averaged $21.12 and dropped to a low of $11.45 during 1954-56, indicating that prices of Utility cows have affected imports. There is no assurance that a pattern identical with that of the last cattle cycle will be followed when domestic cow slaughter again increases.

## Impact on Cattle Prices

Cattle prices in the short term are influenced primarily by the volume of cattle slaughtered. Fed cattle prices depend largely on the number and weight of fed cattle marketed and the resulting production of fed beef. Similarly, cow prices depend principally on the supply of cow beef. To the extent that cow beef may compete with fed beef for the consumer's dollar, cow prices have some effect on fed beef prices and vice versa. Imports affect these prices by changing the total supply of beef of that quality.

Prices of Utility cows at Chicago have remained relatively stable since 1959 even though imports have increased substantially during this period. This is because the increase in imports came about when domestic cow slaughter was low. In 1962, the total supply of domestic production of cow beef plus imports of beef and veal averaged about the same as the annual average during 1954-57. On a per capita basis, it was below that of the earlier period. Even including the further rise in imports in 1963, per capita production of cow beef plus imports is still below that of the earlier period. Prices in early October are continuing at about 1962 levels.

The decrease in domestic production of cow beef has come about because cattlemen have been building their herds since 1958. The number of cattle on feed also was larger each year. These trends are in response to more demand for beef, due to larger population, higher levels of income, and the continuing growth in consumer preference for beef. In order to build up cattle numbers, cattlemen have culled cow herds at a low rate. This meant relatively low domestic production of cow beef and relatively favorable prices of lower grade meat; thus, imports of beef were encouraged.

Fed beef, on the other hand, accounts for the principal part of total domestic commercial slaughter. Prices and quantity movements over the past decade indicate that fed cattle prices are primarily affected by changes in marketings of fed cattle. They are also influenced to a lesser extent by supplies of lower-grade beef. As indicated in the chart on page 38, a close inverse relationship exists between the volume of steer and heifer beef produced per person and prices. For example, the sharp drop in fed cattle prices in winter and spring of this year was associated with an upturn in fed cattle slaughter. Results from a statistical analysis relating steer and heifer beef production per person with prices of Choice steers at Chicago showed that three-fourths of the quarterly changes in prices could be explained by changes in steer and heifer beef production.

### Relationship Between Imports and Cattle Prices Based on Statistical Analysis

The analysis in this section is divided into 2 parts: (1) the measurement of the impact of cow beef supplies (including imports) and fed beef production on cow prices and on fed cattle prices and (2) the estimation of the impact of beef and veal imports on these prices at different levels of imports.

Because beef and veal were not imported in appreciable amounts until 1958, we lack sufficient annual data to make a direct statistical measurement of the impact of imports on the fed cattle market. Quarterly data are not used because some imports may not go into consumption during the same quarter they are imported. Since the quality of imported beef is generally comparable to that of domestic cow beef, we can estimate the approximate effect of imports on cattle prices if we know how cow beef production plus imports affects prices.

The statistical study is based on annual data for the period 1948-62. The fed cattle market and the cow market are considered as distinct markets. However, they are related to the extent that cow beef may compete with fed beef for the consumer's dollar. The degree of this competition is reflected in the relationship between prices of fed cattle and cow prices. This relationship depends on the relative supplies of fed and cow beef. These prices may also be affected by supplies of other red meats, supplies of poultry meats, and other factors common to all meats such as consumer income.

Several statistical analyses were run to quantify the relationships discussed in the preceding paragraph and the results are shown in table D. [1] One analysis relates the price of Choice steers at Chicago to production of steer and heifer beef, production of domestic cow beef plus imports, consumer income, and consumption of other red meats. A second analysis relates the price of Utility cows at Chicago to the same factors.

As indicated in table D, fed cattle prices are influenced primarily by fed beef production. For the period 1948-62, a change of 10 percent in steer and heifer beef production caused prices of Choice steers at Chicago to change in the opposite direction by an average of about 13 percent. On the other hand, a change of 10 percent in domestic cow beef production plus imports caused prices of Choice steers to change in the opposite direction by only 3 percent. These average changes are net changes and take into account the effects of other factors in the analysis. These percentage relationships can also be translated to pounds and dollars at 1962 levels. In this case, a 1 pound per capita change in steer and heifer production results in a change in the opposite direction of

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[1] The statistical analyses were least squares regression analyses using annual data in logarithms for the period 1948-62. In these regressions, steer and heifer beef production was used as a variable to represent the volume moving through the fed beef market; domestic cow beef production plus imports represented the volume moving through the cow beef market. Both these quantities, as well as competing supplies and consumer income, are on a per capita basis to allow for population growth. In addition, consumer incomes and prices are divided by the consumer price index to take into account changes in the consumer's purchasing power.

Both regressions originally included poultry meat, but poultry meat was dropped because its inclusion affected some of the regression coefficients due to the high degree of correlation between this variable and income. The effect of this intercorrelation apparently could not be observed in the cow beef regression. However, for comparative purposes only the regressions with the same variables are shown.

Both regressions also take into account (through use of a zero-one shift variable) conditions that may have been different in the current cattle cycle beginning in 1958. Also, during the recent period, imports were at a larger volume and cattle on feed increased considerably.

Table D.--The effect of selected factors on the price of Choice steers and Utility cows at Chicago as measured by a statistical analysis 1948-62 1/

| Selected factor | Deflated price at Chicago of | |
|---|---|---|
| | Choice steers | Utility cows |
| | Percent | Percent |
| Effect on price of a 1-percent change in-- | | |
| Per capita supply of steer and heifer beef | -1.33 | -2.29 |
| Per capita supply of cow beef plus imports of beef and veal | - .29 | - .74 |
| Per capita consumption of pork, veal, lamb and mutton | 2/- .27 | -1.20 |
| Per capita disposable income deflated by consumer price index | 1.25 | 2.61 |

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1/ Based on statistical (regression) analyses using annual data in logarithms for the period 1948-62. The regression analysis also included a shift variable (zero-one variable) which took into account that conditions may have been different in the period 1948-57 and 1958-62. See footnote 1 in text, p. 40.

2/ Coefficient does not differ significantly from zero when tested at the 5-percent level.

about 50 cents in the price of Choice steers at Chicago. On the other hand, a 1 pound change in the cow beef plus import aggregate affects the Choice steer price by only 15-20 cents.

With respect to cow beef prices, a 10 percent change in domestic cow beef production plus imports caused prices of Utility cows at Chicago to change about 7.5 percent in the opposite direction. On the other hand, the effect on Utility cow prices of a 10 percent change in steer and heifer beef production was 23 percent in the opposite direction.

In percentage terms, the effect of fed beef production on cow prices appears to be substantially greater than the influence of cow beef production plus imports on cow prices. However, when these percentages are translated to pounds and dollars at 1962 levels, a 1 pound per capita change in either cow beef or fed beef production results in a change in the opposite direction of about 50 cents in the price of Utility cows.

Table E.--Observed and estimated prices of Choice steers and Utility cows at Chicago, 1948-1962

| Year | Choice steers at Chicago | | | Utility cows at Chicago | | |
|---|---|---|---|---|---|---|
| | Actual | Estimated 1/ | Difference | Actual | Estimated 1/ | Difference |
| | Dollars | Dollars | Dollars | Dollars | Dollars | Dollars |
| 1948 | 30.96 | 31.32 | .36 | 19.49 | 19.42 | -.07 |
| 1949 | 26.07 | 26.68 | .61 | 16.33 | 15.82 | -.51 |
| 1950 | 29.68 | 29.36 | - .32 | 19.36 | 18.50 | -.86 |
| 1951 | 35.96 | 36.23 | .27 | 24.48 | 25.24 | .76 |
| 1952 | 33.18 | 32.20 | .98 | 19.53 | 20.29 | .76 |
| 1953 | 24.14 | 23.73 | - .41 | 12.41 | 12.28 | -.13 |
| 1954 | 24.66 | 23.50 | -1.16 | 11.46 | 12.18 | .72 |
| 1955 | 23.16 | 23.65 | .49 | 11.52 | 11.77 | .25 |
| 1956 | 22.30 | 22.64 | .34 | 11.37 | 11.03 | -.34 |
| 1957 | 23.83 | 24.51 | .68 | 13.61 | 13.21 | -.40 |
| 1958 | 27.42 | 27.86 | .44 | 18.41 | 18.05 | -.36 |
| 1959 | 27.83 | 27.85 | .02 | 17.79 | 17.37 | -.42 |
| 1960 | 26.24 | 26.25 | .01 | 15.68 | 16.02 | .34 |
| 1961 | 24.65 | 25.41 | .76 | 15.66 | 15.59 | -.07 |
| 1962 | 27.67 | 26.38 | -1.29 | 15.50 | 15.92 | .42 |

1/ Estimated prices calculated from regression equation based on data in logarithms for the period 1948-62. The regression analysis used deflated prices, which adjusted for the purchasing power of the consumers' dollar. However, the prices shown in this table are in current dollars.

For the two regressions, the variables used explained 99 percent of the variation in prices of Utility cows and 98 percent of the variation in prices of Choice steers. Table E compares the prices estimated from the regression analysis with those actually prevailing during the period.

The data in table F use the results from table D to indicate the influence of imports on cattle prices. Table F shows that the amount of influence on price is affected by the level of imports relative to domestic production. Table F indicates that when imports equal about 10 percent of total domestic beef production--as they have recently--an increase of 10 percent in imports would cause, on the average, a drop of about 1 percent in the price of Choice steers. If imports are a smaller proportion of domestic production, the effect on fed cattle prices is less; if they are a larger proportion, the effect on prices is greater.

Table F.--Estimated impact on cattle prices of a 10 percent change in imports of beef and veal under different assumed levels of imports

| Assumed levels of imports as percent of total domestic production 1/ | Estimated effect of a 10 percent change in imports on price of -- 2/ | |
|---|---|---|
| | Choice steers at Chicago | Utility cows at Chicago |
| Percent | Percent | Percent |
| 5 | -0.7 | -1.7 |
| 10 | -1.1 | -2.7 |
| 15 | -1.4 | -3.5 |
| 20 | -1.6 | -4.0 |

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1/ Domestic production of beef and veal are held constant at 1962-63 levels.

2/ The estimated effects of beef and veal imports on cattle prices are based on the supply-price relationships shown in table D.

## Table G.--Imports of cattle from Canada and Mexico, excluding breeding animals, 1952 to date

From Canada

| Year | Dutiable cattle | | | | |
|---|---|---|---|---|---|
| | 700 pounds and over | | Under 200 pounds | 200 to 699 pounds | Total dutiable cattle |
| | Cows for dairy purposes | Other | | | |
| | Head | Head | Head | Head | Head |
| 1952 1/ | 4,636 | 4,244 | 714 | 968 | 10,562 |
| 1953 2/ | 21,811 | 22,931 | 3,515 | 896 | 49,153 |
| 1954 | 17,633 | 46,798 | 2,872 | 3,377 | 70,680 |
| 1955 | 25,252 | 17,543 | 3,256 | 2,218 | 48,269 |
| 1956 | 22,678 | 2,914 | 3,571 | 1,390 | 30,553 |
| 1957 | 18,857 | 186,036 | 10,486 | 151,059 | 366,438 |
| 1958 | 19,586 | 230,025 | 13,580 | 373,671 | 636,862 |
| 1959 | 14,998 | 90,259 | 30,738 | 186,630 | 322,625 |
| 1960 | 20,247 | 60,865 | 32,079 | 140,471 | 253,662 |
| 1961 | 24,972 | 88,660 | 28,605 | 337,452 | 479,689 |
| 1962 | 15,481 | 72,205 | 41,315 | 351,336 | 480,337 |
| 1963 Jan.-July | 6,776 | 34,899 | 35,471 | 30,324 | 107,470 |
| | From Mexico | | | | |
| 1952 3/ | 2,381 | 43,617 | 96 | 81,185 | 127,279 |
| 1953 4/ | 175 | 25,364 | 485 | 101,901 | 127,925 |
| 1954 | -- | -- | -- | -- | -- |
| 1955 5/ | 1,424 | 56,153 | 539 | 189,631 | 247,747 |
| 1956 | 1,684 | 11,124 | 848 | 96,594 | 110,250 |
| 1957 | 480 | 44,236 | 7,914 | 283,842 | 336,472 |
| 1958 | 1,255 | 80,589 | 3,231 | 403,166 | 488,241 |
| 1959 | 1,597 | 45,697 | 1,037 | 317,095 | 365,426 |
| 1960 | 371 | 19,631 | 1,773 | 369,113 | 390,888 |
| 1961 | 46 | 36,410 | 8,655 | 497,999 | 543,110 |
| 1962 | 34 | 36,732 | 24,925 | 690,228 | 751,919 |
| 1963 Jan.-July | 7 | 16,078 | 23,408 | 391,004 | 430,497 |

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1/ Imports prohibited beginning February 25, 1962 due to foot-and-mouth disease.

2/ Embargo removed March 1, 1953.

3/ Embargo removed September 1, 1952.

4/ Imports prohibited beginning May 23, 1953.

5/ Embargo removed January 1, 1955.

Compiled from official records of the Bureau of the Census.

Table H.--Meat animal imports: Number of cattle, sheep and hogs imported, United States, 1940 to date 1/

| Year | Cattle | | | | | | | | | Sheep and lambs | | | Hogs | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 700 pounds and over | | | Under 700 pounds | | | Dutiable cattle | Breeding cattle (free) 2/ | Total cattle | Dutiable | Breeding sheep (free) 2/ | Total sheep and lambs | Dutiable 3/ | Breeding hogs (free) 2/ | Total hogs 3/ |
| | Cows for dairy purposes | Other | Total | Under 200 pounds | 200 to 699 pounds | Total | | | | | | | | | |
| | Head | Head | Head | Head | Head | Head | Head | Head | Head | Head | Head | Head | Head | Head | Head |
| 1940... | 9,600 | 169,720 | 179,320 | 104,602 | 346,289 | 450,891 | 30,211 | 13,621 | 643,832 | 205 | 3,178 | 3,383 | 274 | 38 | 312 |
| 1941... | 13,387 | 205,488 | 218,875 | 102,195 | 412,312 | 514,507 | 733,382 | 16,375 | 749,757 | 8,373 | 3,829 | 12,202 | 45,117 | 50 | 45,167 |
| 1942... | 19,566 | 180,054 | 199,620 | 66,518 | 386,495 | 453,013 | 652,633 | 16,218 | 668,851 | 1,859 | 3,604 | 5,463 | 460 | 89 | 549 |
| 1943... | 34,934 | 77,520 | 112,454 | 14,269 | 502,909 | 517,178 | 629,632 | 22,978 | 652,610 | 1,404 | 2,884 | 4,288 | 79 | 521 | 600 |
| 1944... | 33,624 | 25,696 | 59,320 | 5,861 | 276,297 | 282,158 | 341,478 | 16,791 | 358,269 | 137,476 | 3,257 | 140,733 | 25 | 192 | 217 |
| 1945... | 43,984 | 41,995 | 85,979 | 9,742 | 393,672 | 403,414 | 489,393 | 22,230 | 511,623 | 97,969 | 3,171 | 101,140 | 80 | 545 | 625 |
| 1946... | 66,085 | 25,915 | 92,000 | 10,053 | 413,665 | 423,718 | 515,718 | 42,186 | 557,904 | 3,885 | 3,627 | 7,512 | 115 | 1,189 | 1,304 |
| 1947... | 43,917 | 888 | 44,805 | 7,642 | 2,010 | 9,652 | 54,457 | 30,048 | 84,505 | 868 | 4,829 | 5,697 | 255 | 2,925 | 3,180 |
| 1948... | 84,275 | 214,645 | 298,920 | 23,571 | 96,335 | 119,906 | 418,826 | 42,853 | 461,679 | 50,517 | 3,892 | 54,409 | 355 | 2,028 | 2,383 |
| 1949... | 49,061 | 194,916 | 243,977 | 41,535 | 126,614 | 168,149 | 412,126 | 21,332 | 433,458 | 38,562 | 2,692 | 41,254 | 50 | 1,335 | 1,385 |
| 1950... | 46,591 | 173,000 | 219,591 | 38,985 | 179,709 | 218,694 | 438,285 | 22,684 | 460,969 | 97,127 | 3,340 | 100,467 | 120 | 865 | 985 |
| 1951... | 35,626 | 117,479 | 153,105 | 15,609 | 51,107 | 66,716 | 219,821 | 19,138 | 238,959 | 14,312 | 2,591 | 16,903 | 950 | 535 | 1,485 |
| 1952... | 7,017 | 47,941 | 54,958 | 810 | 82,280 | 83,090 | 138,048 | 2,413 | 140,461 | 304 | 603 | 907 | 185 | 11 | 196 |
| 1953... | 22,009 | 48,320 | 70,329 | 4,000 | 102,831 | 106,831 | 177,160 | 21,066 | 198,226 | 868 | 1,283 | 2,151 | 24,030 | 395 | 24,425 |
| 1954... | 17,633 | 46,798 | 64,431 | 2,872 | 3,377 | 6,249 | 70,680 | 15,376 | 86,056 | 1,480 | 4/ | 1,480 | 30,715 | 4/ | 30,715 |
| 1955... | 26,676 | 73,696 | 100,372 | 3,795 | 191,849 | 195,644 | 296,016 | 18,361 | 314,377 | 7,640 | --- | 7,640 | 6,588 | --- | 6,588 |
| 1956... | 24,364 | 14,038 | 38,402 | 4,419 | 97,984 | 102,403 | 140,805 | 18,554 | 159,359 | 3,158 | --- | 3,158 | 382 | --- | 382 |
| 1957... | 19,342 | 230,272 | 249,614 | 18,400 | 434,901 | 453,301 | 702,915 | 24,938 | 727,853 | 17,832 | --- | 17,832 | 746 | --- | 746 |
| 1958... | 20,841 | 311,724 | 332,565 | 16,811 | 776,837 | 793,648 | 1,126,213 | 26,194 | 1,152,407 | 39,769 | --- | 39,769 | 9,094 | --- | 9,049 |
| 1959... | 16,600 | 135,956 | 152,556 | 31,775 | 503,725 | 535,500 | 688,056 | 20,699 | 708,755 | 75,521 | --- | 75,521 | 2,367 | --- | 2,367 |
| 1960... | 20,618 | 80,496 | 101,114 | 33,852 | 509,584 | 543,436 | 644,550 | 18,624 | 663,174 | 49,767 | --- | 49,767 | 6,162 | --- | 6,162 |
| 1961... | 25,018 | 125,070 | 150,088 | 37,260 | 835,451 | 872,711 | 1,022,799 | 19,922 | 1,042,721 | 979 | --- | 979 | 3,151 | --- | 3,151 |
| 1962... | 15,515 | 108,937 | 124,452 | 66,240 | 1,041,564 | 1,107,804 | 1,232,256 | 17,773 | 1,250,029 | 20,845 | --- | 20,845 | 3,277 | --- | 3,277 |

1/ Imports for consumption 1940 to date. Imports from Virgin Islands not included.

2/ Includes other imports not subject to duty.

3/ Imports reported in pounds beginning 1940; pounds converted to 200-pound hog equivalent.

4/ Sheep and hogs for breeding are included with "Animals for breeding n.e.c." beginning 1954.

Table I.--United States imports of cattle and beef, lambs and lamb and mutton compared with production, 1950-63

| Year | Imports | | | | Meat production 3/ | Imports as a percentage of production |
|---|---|---|---|---|---|---|
| | Live animals | | Meat | Total 2/ | | |
| | Number | Meat equivalent 1/ | | | | |
| | 1,000 head | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Pct. |
| | Cattle and calves and beef and veal | | | | | |
| 1950 | 438 | 157 | 348 | 505 | 10,764 | 4.7 |
| 1951 | 220 | 91 | 484 | 575 | 9,896 | 5.8 |
| 1952 | 138 | 47 | 429 | 476 | 10,819 | 4.4 |
| 1953 | 177 | 62 | 271 | 333 | 13,953 | 2.4 |
| 1954 | 71 | 35 | 232 | 267 | 14,610 | 1.8 |
| 1955 | 296 | 93 | 229 | 322 | 15,147 | 2.1 |
| 1956 | 141 | 43 | 211 | 254 | 16,094 | 1.6 |
| 1957 | 703 | 221 | 395 | 616 | 15,728 | 3.9 |
| 1958 | 1,126 | 340 | 909 | 1,249 | 14,516 | 8.6 |
| 1959 | 688 | 191 | 1,063 | 1,254 | 14,588 | 8.6 |
| 1960 | 645 | 163 | 775 | 938 | 15,835 | 5.9 |
| 1961 | 1,023 | 250 | 1,037 | 1,287 | 16,341 | 7.9 |
| 1962 | 1,232 | 280 | 1,445 | 1,725 | 16,311 | 10.6 |
| Jan.-Aug. 1962 | 583 | 132 | 893 | 1,025 | 10,895 | 9.4 |
| Jan.-Aug. 1963 | 555 | 118 | 1,086 | 1,204 | 11,386 | 10.6 |
| | Lambs and lamb and mutton | | | | | |
| 1950 | 97 | 3 | 3 | 6 | 597 | 1.0 |
| 1951 | 14 | 5/ | 7 | 7 | 521 | 1.3 |
| 1952 | 4/ | 5/ | 6 | 6 | 648 | .9 |
| 1953 | 1 | 5/ | 3 | 3 | 729 | .4 |
| 1954 | 1 | 5/ | 2 | 2 | 734 | .3 |
| 1955 | 8 | 5/ | 2 | 2 | 758 | .3 |
| 1956 | 3 | 5/ | 1 | 1 | 741 | .1 |
| 1957 | 18 | 1 | 4 | 5 | 707 | .7 |
| 1958 | 40 | 1 | 41 | 42 | 688 | 6.1 |
| 1959 | 76 | 2 | 104 | 106 | 738 | 14.4 |
| 1960 | 50 | 1 | 87 | 88 | 768 | 11.5 |
| 1961 | 1 | 3/ | 101 | 101 | 832 | 12.1 |
| 1962 | 21 | 1 | 143 | 144 | 809 | 17.8 |
| Jan.-Aug 1962 | 3 | 3/ | 95 | 95 | 533 | 17.8 |
| Jan.-Aug 1963 | 1 | 3/ | 115 | 115 | 503 | 22.9 |

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1/ Estimated at 53 percent of the live weight of all dutiable imports of cattle and for lambs an average 30 pound carcass.

2/ Canned and other processed meats have been converted to their carcass weight equivalent.

3/ Total production (including an estimate for farm slaughter).

4/ Less than 500 head.

5/ Less than 500,000 pounds.

Table J.--United States imports of cattle and beef, compared with U. S. production by months, 1958-63

Cattle and calves and beef and veal

| Year and item | Jan. | Feb. | March | April | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Year |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. |
| 1958 | | | | | | | | | | | | | |
| Imports 1/ | 86 | 90 | 79 | 94 | 96 | 95 | 123 | 112 | 123 | 121 | 111 | 120 | 1,249 |
| Domestic production 2/ | 1,317 | 1,046 | 1,076 | 1,113 | 1,152 | 1,169 | 1,244 | 1,171 | 1,242 | 1,323 | 1,059 | 1,174 | 14,086 |
| Imports: Percent of domestic production | 6.5 | 8.6 | 7.3 | 8.4 | 8.3 | 8.1 | 9.9 | 9.6 | 9.9 | 9.1 | 10.5 | 10.2 | 8.9 |
| 1959 | | | | | | | | | | | | | |
| Imports 1/ | 103 | 88 | 79 | 108 | 115 | 131 | 108 | 114 | 143 | 86 | 73 | 106 | 1,254 |
| Domestic production 2/ | 1,202 | 1,013 | 1,102 | 1,172 | 1,141 | 1,185 | 1,246 | 1,159 | 1,264 | 1,278 | 1,160 | 1,240 | 14,162 |
| Imports: Percent of domestic production | 8.6 | 8.7 | 7.2 | 9.3 | 10.1 | 11.1 | 8.7 | 9.8 | 11.3 | 6.8 | 6.3 | 8.5 | 8.9 |
| 1960 | | | | | | | | | | | | | |
| Imports 1/ | 73 | 72 | 74 | 90 | 72 | 76 | 85 | 113 | 81 | 64 | 62 | 76 | 938 |
| Domestic production 2/ | 1,275 | 1,162 | 1,284 | 1,141 | 1,279 | 1,332 | 1,251 | 1,406 | 1,399 | 1,360 | 1,281 | 1,229 | 15,399 |
| Imports: Percent of domestic production | 5.7 | 6.2 | 5.8 | 7.9 | 5.6 | 5.7 | 6.8 | 8.0 | 5.8 | 4.7 | 4.8 | 6.2 | 6.1 |
| 1961 | | | | | | | | | | | | | |
| Imports 1/ | 75 | 66 | 80 | 99 | 78 | 111 | 117 | 153 | 111 | 134 | 151 | 112 | 1,287 |
| Domestic production 2/ | 1,316 | 1,159 | 1,324 | 1,209 | 1,400 | 1,412 | 1,279 | 1,433 | 1,352 | 1,427 | 1,321 | 1,240 | 15,890 |
| Imports: Percent of domestic production | 5.7 | 5.7 | 6.0 | 8.2 | 5.6 | 7.9 | 9.1 | 10.7 | 8.2 | 9.4 | 11.4 | 9.0 | 8.1 |
| 1962 | | | | | | | | | | | | | |
| Imports 1/ | 121 | 98 | 170 | 119 | 99 | 119 | 118 | 182 | 168 | 165 | 191 | 176 | 1,725 |
| Domestic production 2/ | 1,409 | 1,180 | 1,310 | 1,212 | 1,391 | 1,348 | 1,360 | 1,429 | 1,275 | 1,450 | 1,288 | 1,215 | 15,867 |
| Imports: Percent of domestic production | 8.6 | 8.3 | 13.0 | 9.8 | 7.1 | 8.8 | 8.7 | 12.7 | 13.2 | 11.4 | 14.8 | 14.5 | 10.9 |
| 1963 | | | | | | | | | | | | | |
| Imports 1/ | 121 | 175 | 158 | 119 | 149 | 125 | 175 | 181 | | | | | |
| Domestic production 2/ | 1,424 | 1,230 | 1,344 | 1,369 | 1,470 | 1,373 | 1,442 | 1,473 | | | | | |
| Imports: Percent of domestic production | 8.5 | 14.2 | 11.8 | 8.7 | 10.1 | 9.1 | 12.1 | 12.3 | | | | | |

---

1/ Beef, veal, and meat equivalent of live cattle and calf imports.
2/ Commercial beef and veal production. (Does not include farm slaughter.)

Table K. Meat imports: United States, by country of origin, 1958 to date

| Product and year | Imports, by country of origin, product weight | | | | | | | | | | | | Total imports | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Canada | Mexico | Argentina | Brazil | Denmark | West Germany | Poland | Netherlands | Ireland | Australia | New Zealand | All Other | Product weight | Carcass weight equivalent |
| | - Million pounds - | | | | | | | | | | | | | |
| Beef and veal: 1/ | | | | | | | | | | | | | | |
| 1958 | 53.6 | 75.0 | 216.7 | 13.6 | 2.5 | 0.3 | -- | 0.3 | 23.8 | 17.7 | 183.7 | 32.0 | 619.2 | 909 |
| 1959 | 22.6 | 48.9 | 128.6 | 36.0 | 3.4 | .3 | -- | .3 | 42.0 | 224.0 | 161.6 | 54.6 | 722.3 | 1,063 |
| 1960 | 18.9 | 39.1 | 52.7 | 9.0 | 4.5 | .3 | 2/ | .1 | 52.8 | 144.7 | 130.7 | 39.3 | 512.6 | 775 |
| 1961 | 32.3 | 53.4 | 65.2 | 16.3 | 6.5 | .3 | 0.1 | .1 | 64.4 | 233.9 | 154.4 | 33.5 | 689.2 | 1,037 |
| 1962 | 19.4 | 59.3 | 55.9 | 17.2 | 7.7 | .4 | .4 | .1 | 70.7 | 444.9 | 213.6 | 49.8 | 970.9 | 1,445 |
| 1963 Jan-July | 11.1 | 39.8 | 53.5 | 3.3 | .6 | .2 | 1.0 | 2/ | 40.0 | 253.0 | 138.3 | 62.9 | 603.7 | 907 |
| Lamb and mutton: | | | | | | | | | | | | | | |
| 1958 | 1.2 | -- | -- | -- | -- | -- | -- | -- | -- | 14.6 | 7.0 | 1.2 | 24.0 | 24 |
| 1959 | .8 | -- | -- | -- | -- | -- | -- | -- | -- | 40.6 | 12.8 | 2.6 | 56.8 | 57 |
| 1960 | .1 | -- | -- | -- | -- | -- | -- | -- | -- | 38.5 | 9.1 | 2.0 | 49.7 | 87 |
| 1961 | .1 | 2/ | -- | -- | -- | -- | -- | -- | 2/ | 44.6 | 10.8 | .2 | 55.8 | 101 |
| 1962 | .5 | -- | .1 | -- | -- | -- | -- | -- | .2 | 65.9 | 11.1 | .3 | 78.2 | 143 |
| 1963 Jan-July | 2/ | -- | -- | -- | -- | -- | -- | -- | -- | 50.1 | 9.2 | .2 | 59.5 | 107 |
| Pork: | | | | | | | | | | | | | | |
| 1958 | 61.9 | 2/ | 2/ | -- | 38.7 | 7.0 | 27.0 | 44.7 | .1 | -- | .1 | 3.3 | 182.8 | 193 |
| 1959 | 59.1 | 2/ | 2/ | -- | 37.3 | 4.7 | 26.9 | 43.4 | .2 | -- | .2 | 3.1 | 174.9 | 186 |
| 1960 | 47.3 | 2/ | 2/ | -- | 40.7 | 2.7 | 35.1 | 42.0 | .2 | -- | .1 | 5.9 | 171.3 | 186 |
| 1961 | 44.7 | .1 | -- | -- | 46.2 | 1.7 | 34.7 | 42.0 | .2 | -- | 2/ | 5.8 | 173.7 | 187 |
| 1962 | 46.8 | 2/ | -- | -- | 63.8 | 1.3 | 39.8 | 43.4 | 2.0 | 2/ | .1 | 7.9 | 203.8 | 216 |
| 1963 Jan-July | 25.7 | -- | -- | -- | 44.2 | .4 | 25.3 | 26.4 | 1.1 | -- | 2/ | 4.3 | 127.4 | 135 |
| Total: | | | | | | | | | | | | | | |
| 1958 | 116.7 | 75.0 | 216.7 | 13.6 | 41.2 | 7.3 | 27.0 | 45.0 | 23.9 | 32.3 | 190.8 | 36.5 | 826.0 | 1,126 |
| 1959 | 82.5 | 49.0 | 128.6 | 36.0 | 40.7 | 5.0 | 26.9 | 43.7 | 42.2 | 264.6 | 174.6 | 60.3 | 954.1 | 1,306 |
| 1960 | 66.3 | 39.2 | 52.7 | 9.0 | 45.2 | 3.0 | 35.1 | 42.2 | 52.9 | 183.2 | 139.9 | 47.2 | 733.7 | 1,048 |
| 1961 | 77.1 | 53.5 | 65.2 | 16.3 | 52.7 | 2.0 | 34.8 | 42.1 | 64.6 | 278.5 | 165.2 | 39.5 | 918.7 | 1,325 |
| 1962 | 66.7 | 59.3 | 56.0 | 17.2 | 71.5 | 1.7 | 40.2 | 43.5 | 72.9 | 510.8 | 224.8 | 58.0 | 1,252.9 | 1,804 |
| 1963 Jan-July | 36.8 | 39.8 | 53.5 | 3.3 | 44.8 | .6 | 26.3 | 26.4 | 41.1 | 303.1 | 147.5 | 67.4 | 790.6 | 1,149 |

1/ Includes quantities of other canned, prepared or preserved meat n.e.s. Assumed to be mostly beef.
2/ Less than 50,000 pounds.

Compiled from official records of the Bureau of the Census.

Table L.--Meat exports: United States exports and shipments by countries, 1958 to date

| Product and year | Exports, by destination, product weight | | | | | | | | | | Shipments to Territories 1/ | Total exports and shipments | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Canada | Mexico | Bahamas | West Germany | Jamaica | Trinidad | Netherlands | Venezuela | All other | Total | | Product weight | Carcass weight equivalent |
| | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. |
| Beef and veal: | | | | | | | | | | | | | |
| 1958 | 15.8 | 0.4 | 1.0 | 2/ | 1.1 | 0.5 | 2/ | 0.6 | 5.4 | 24.8 | 8.8 | 33.6 | 49 |
| 1959 | 17.6 | .4 | 1.4 | 2/ | 1.1 | .2 | 0.1 | 1.0 | 5.6 | 27.4 | 9.9 | 37.3 | 53 |
| 1960 | 19.5 | .2 | 1.8 | --- | 1.3 | 0.3 | .2 | .8 | 5.3 | 29.4 | 12.3 | 41.7 | 56 |
| 1961 | 18.9 | .2 | 1.8 | 2/ | 1.6 | .5 | .1 | .1 | 6.7 | 29.9 | 13.3 | 43.2 | 58 |
| 1962 | 16.9 | .1 | 1.9 | 2/ | 1.2 | .2 | .1 | 2/ | 6.7 | 27.1 | 13.8 | 40.9 | 53 |
| Lamb and mutton: | | | | | | | | | | | | | |
| 1958 | .4 | 2/ | .1 | --- | 2/ | 2/ | --- | 2/ | .2 | .7 | --- | .7 | 2 |
| 1959 | .4 | .1 | .2 | 2/ | 2/ | 2/ | --- | 2/ | .1 | .8 | --- | .8 | 2 |
| 1960 | .7 | 2/ | .2 | --- | 2/ | 2/ | --- | 2/ | .6 | 1.5 | --- | 1.5 | 2 |
| 1961 | .5 | 2/ | .2 | 2/ | 2/ | 2/ | .4 | 2/ | .5 | 1.6 | --- | 1.6 | 2 |
| 1962 | .5 | 2/ | .2 | --- | 2/ | --- | --- | 2/ | 1.3 | 2.0 | --- | 2.0 | 3 |
| Pork: | | | | | | | | | | | | | |
| 1958 | 1.1 | 5.8 | 1.6 | 1.9 | 1.6 | 1.2 | .7 | 3.1 | 37.3 | 54.3 | 48.2 | 102.5 | 118 |
| 1959 | 1.1 | 11.0 | 1.4 | 3.4 | 2.0 | 1.4 | 1.8 | 4.1 | 44.7 | 70.9 | 55.4 | 126.3 | 143 |
| 1960 | 16.3 | 5.5 | 2.0 | 1.5 | 2.7 | 2.8 | .5 | 5.1 | 33.0 | 69.4 | 53.3 | 122.7 | 138 |
| 1961 | 36.2 | 6.7 | 1.8 | 2.3 | 2.9 | 2.9 | .7 | 6.4 | 8.4 | 68.3 | 56.9 | 125.2 | 139 |
| 1962 | 33.8 | 6.7 | 1.8 | 1.5 | 3.5 | 3.3 | .2 | 5.1 | 7.8 | 63.7 | 57.5 | 121.2 | 132 |
| Total: 3/ | | | | | | | | | | | | | |
| 1958 | 20.4 | 6.5 | 2.9 | 1.9 | 2.8 | 1.8 | .7 | 5.9 | 48.0 | 90.9 | 78.0 | 168.9 | 169 |
| 1959 | 22.6 | 11.9 | 3.1 | 3.5 | 3.2 | 1.7 | 1.9 | 7.3 | 53.6 | 108.8 | 85.5 | 194.3 | 198 |
| 1960 | 37.2 | 5.9 | 4.3 | 1.7 | 4.1 | 3.2 | .7 | 8.0 | 42.5 | 107.6 | 87.4 | 195.0 | 196 |
| 1961 | 56.2 | 7.1 | 4.1 | 2.5 | 4.6 | 3.5 | .8 | 7.0 | 19.8 | 105.6 | 95.0 | 200.6 | 199 |
| 1962 | 51.7 | 7.0 | 4.0 | 1.5 | 4.9 | 3.7 | .4 | 5.3 | 19.3 | 97.8 | 98.2 | 196.0 | 198 |

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1/ Puerto Rico and Virgin Islands and Guam.

2/ Less than 50,000 pounds.

3/ Including sausage, bologna and frankfurters canned and not canned, sausage ingredients, meat and meat products n.e.c., and canned baby food. Source: Compiled from official records of the Bureau of Census.

# LIST OF LIVESTOCK MARKETING PUBLICATIONS

Partial List of Those Released in Past Year

## U. S. Department of Agriculture

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Supply and distribution of meat, by months, April 1963 to date

| Meat and period | Commercially produced | | | | | | | | Total 2/ | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Supply | | | Distribution | | | | | | | |
| | Production | Beginning stocks | Imports | Exports and shipments | Ending stocks | Military | Civilian consumption | | Production | Civilian consumption | |
| | | | | | | | Total | Per person 1/ | | Total | Per person |
| | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Lb. | Mil. lb. | Mil. lb. | Lb. |
| Beef: | | | | | | | | | | | |
| April | 1,304 | 190 | 99 | 4 | 187 | 29 | 1,373 | 7.4 | --- | --- | --- |
| May | 1,405 | 187 | 134 | 4 | 185 | 30 | 1,507 | 8.1 | --- | --- | --- |
| June | 1,312 | 185 | 119 | 4 | 190 | 33 | 1,389 | 7.5 | --- | --- | --- |
| 2nd quarter | 4,021 | 190 | 352 | 12 | 190 | 92 | 4,269 | 23.0 | | | 3/23.2 |
| July | 1,371 | 190 | 168 | 4 | 193 | 33 | 1,499 | 8.1 | | | |
| August | 1,397 | 193 | 176 | | 201 | | | | | | |
| September | | | | | | | | | | | |
| 3rd quarter | | | | | | | | | | | |
| Veal: | | | | | | | | | | | |
| April | 65 | 11 | 1 | 4/ | 11 | 3 | 63 | .3 | --- | --- | --- |
| May | 65 | 11 | 2 | 4/ | 9 | 3 | 66 | .4 | --- | --- | --- |
| June | 61 | 9 | 2 | 4/ | 8 | 2 | 62 | .3 | --- | --- | --- |
| 2nd quarter | 191 | 11 | 5 | 4/ | 8 | 8 | 191 | 1.0 | | | 3/1.1 |
| July | 71 | 8 | 1 | 4/ | 7 | 4 | 69 | .4 | | | |
| August | 76 | 7 | 2 | | 7 | | | | | | |
| September | | | | | | | | | | | |
| 3rd quarter | | | | | | | | | | | |
| Lamb and mutton: | | | | | | | | | | | |
| April | 62 | 23 | 13 | 4/ | 24 | 4/ | 74 | .4 | --- | --- | --- |
| May | 59 | 24 | 10 | 4/ | 21 | 4/ | 72 | .4 | --- | --- | --- |
| June | 52 | 21 | 11 | 4/ | 20 | 4/ | 64 | .3 | --- | --- | --- |
| 2nd quarter | 173 | 23 | 34 | 4/ | 20 | 4/ | 210 | 1.1 | | | 3/1.1 |
| July | 64 | 20 | 12 | 4/ | 20 | 4/ | 76 | .4 | | | |
| August | 64 | 20 | 9 | | 20 | | | | | | |
| September | | | | | | | | | | | |
| 3rd quarter | | | | | | | | | | | |
| Pork: | | | | | | | | | | | |
| April | 1,037 | 333 | 20 | 16 | 374 | 18 | 982 | 5.3 | --- | --- | --- |
| May | 986 | 374 | 21 | 18 | 356 | 16 | 991 | 5.3 | --- | --- | --- |
| June | 824 | 356 | 15 | 17 | 324 | 15 | 839 | 4.5 | --- | --- | --- |
| 2nd quarter | 2,847 | 333 | 56 | 51 | 324 | 49 | 2,812 | 15.2 | | | 3/14.8 |
| July | 850 | 324 | 21 | 13 | 275 | 24 | 883 | 4.8 | | | |
| August | 858 | 275 | 15 | | 220 | | | | | | |
| September | | | | | | | | | | | |
| 3rd quarter | | | | | | | | | | | |
| All meat: | | | | | | | | | | | |
| April | 2,468 | 557 | 133 | 20 | 596 | 50 | 2,492 | 13.4 | --- | --- | --- |
| May | 2,515 | 596 | 167 | 22 | 571 | 49 | 2,636 | 14.2 | --- | --- | --- |
| June | 2,249 | 571 | 147 | 21 | 542 | 50 | 2,354 | 12.7 | --- | --- | --- |
| 2nd quarter | 7,232 | 557 | 447 | 63 | 542 | 149 | 7,482 | 40.4 | | | 3/40.3 |
| July | 2,356 | 542 | 202 | 17 | 495 | 61 | 2,527 | 13.6 | | | |
| August | 2,395 | 495 | 202 | | 448 | | | | | | |
| September | | | | | | | | | | | |
| 3rd quarter | | | | | | | | | | | |

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1/ Derived from estimates by months of population eating out of civilian food supplies.
2/ Includes production and consumption from farm slaughter.
3/ Estimated.
4/ Less than 500,000 pounds.

Selected price statistics for meat animals and meat

| Item | Unit | 1962 | | 1963 | | |
|---|---|---|---|---|---|---|
| | | September | October | August | September | October |
| Cattle and calves | | | | | | |
| Beef steers, slaughter | Dollars per | | | | | |
| Chicago, Prime | 100 pounds | 32.45 | 31.60 | 25.12 | 24.33 | |
| Choice | do. | 29.85 | 29.50 | 24.60 | 23.94 | |
| Good | do. | 27.62 | 27.70 | 23.84 | 23.20 | |
| Standard | do. | 24.77 | 25.04 | 21.39 | 21.36 | |
| Utility | do. | 22.30 | 22.97 | 19.19 | 18.59 | |
| All grades | do. | 29.63 | 29.29 | 24.47 | 23.80 | |
| Omaha, all grades | do. | 27.61 | 27.21 | 23.76 | 23.41 | |
| Sioux City, all grades | do. | 27.94 | 27.44 | 23.89 | 23.56 | |
| Cows, Chicago | | | | | | |
| Commercial | do. | 16.03 | 15.72 | 15.45 | 15.18 | |
| Utility | do. | 15.65 | 15.31 | 15.65 | 15.10 | |
| Cutter | do. | 14.98 | 14.01 | 14.90 | 14.19 | |
| Canner | do. | 13.59 | 12.72 | 13.75 | 12.94 | |
| Vealers, Choice, S. St. Paul | do. | 31.48 | 29.52 | 29.25 | 29.91 | |
| Stocker and feeder steers, Kansas City 1/ | do. | 25.21 | 25.38 | 23.67 | 22.71 | |
| Price received by farmers | | | | | | |
| Beef cattle | do. | 22.00 | 21.70 | 20.40 | 20.10 | |
| Cows | do. | 14.80 | 14.00 | 14.10 | 13.80 | |
| Steers and heifers | do. | 24.80 | 24.60 | 22.80 | 22.40 | |
| Calves | do. | 25.10 | 25.00 | 24.40 | 24.00 | |
| Hogs | | | | | | |
| Barrows and gilts, U. S. No. 1, 2 & 3, Chicago | | | | | | |
| 200-220 pounds | do. | 19.10 | 17.27 | 17.74 | 16.18 | |
| 220-240 pounds | do. | 19.04 | 17.13 | 17.74 | 16.18 | |
| 240-270 pounds | do. | 18.90 | 16.88 | 17.60 | 16.04 | |
| All weights | do. | 19.01 | 17.04 | 17.65 | 16.05 | |
| Barrows and gilts, 8 markets 2/ | do. | 18.82 | 16.87 | 17.55 | 15.89 | |
| Sows, Chicago | do. | 16.76 | 14.95 | 15.07 | 14.22 | |
| Price received by farmers | do. | 18.10 | 16.60 | 16.60 | 15.40 | |
| Hog-corn price ratio 3/ | | | | | | |
| Chicago, barrows and gilts | | 17.1 | 15.5 | 13.5 | 12.0 | |
| Price received by farmers, all hogs | | 17.4 | 16.3 | 13.9 | 12.7 | |
| Sheep and lambs | Dollars per | | | | | |
| Sheep | 100 pounds | | | | | |
| Slaughter ewes, Good, Chicago | do. | 4.00 | 4.70 | 5.25 | 5.25 | |
| Price received by farmers | do. | 5.74 | 5.68 | 5.49 | 5.41 | |
| Lamb | | | | | | |
| Slaughter, Choice, Chicago | do. | 21.28 | 18.88 | 20.38 | 19.78 | |
| Feeder, Choice, Omaha | do. | 16.56 | 16.85 | 17.50 | 17.47 | |
| Price received by farmers | do. | 18.60 | 17.80 | 18.50 | 17.90 | |
| All meat animals | | | | | | |
| Index number price received by farmers (1910-14=100) | | 326 | 314 | 303 | 293 | |
| Meat | | | | | | |
| Wholesale, Chicago | Dollars per | | | | | |
| Steer beef carcass, Choice, 500-600 pounds | 100 pounds | 47.90 | 46.80 | 42.10 | 41.77 | |
| Lamb carcass, Choice, 45-55 pounds | do. | 46.57 | 43.60 | 43.83 | 43.22 | |
| Composite hog products: | | | | | | |
| Including lard | | | | | | |
| 71.90 pounds fresh | Dollars | 20.24 | 18.59 | 18.46 | 17.52 | |
| Average per 100 pounds | do. | 28.15 | 25.85 | 25.67 | 24.37 | |
| 71.01 pounds fresh and cured | do. | 24.88 | 22.70 | 22.97 | 21.89 | |
| Average per 100 pounds | do. | 35.04 | 31.96 | 32.35 | 30.83 | |
| Excluding lard | | | | | | |
| 55.99 pounds fresh and cured | do. | 22.66 | 20.39 | 20.91 | 19.84 | |
| Average per 100 pounds | do. | 40.47 | 36.42 | 37.34 | 35.43 | |
| Retail, United States average | Cents | | | | | |
| Beef, Choice grade | per pound | 87.2 | 85.5 | 81.3 | 81.0 | |
| Pork, retail cuts | do. | 64.6 | 61.1 | 60.1 | 59.8 | |
| Lamb, Choice grade | do. | 72.8 | 71.6 | 73.0 | 72.9 | |
| Index number meat prices (BLS) | | | | | | |
| Wholesale (1957-59=100) | | 106.7 | 99.3 | 95.0 | 93.4 | |
| Retail (1957-59=100) 4/ | | 107.8 | 105.4 | 102.6 | 102.6 | |

1/ Average all weights and grades.
2/ Chicago, St. Louis N. S. Y., Kansas City, Omaha, Sioux City, S. St. Joseph, S. St. Paul, and Indianapolis.
3/ Number bushels of corn equivalent in value to 100 pounds of live hogs.
4/ Includes beef and veal, pork, leg of lamb and other meats.

Selected marketing, slaughter and stocks statistics for meat animals and meat

| Item | Unit | 1962 | | 1963 | | |
|---|---|---|---|---|---|---|
| | | September | October | August | September | October |
| Meat animal marketings | | | | | | |
| Index number (1947-49=100) | | 134 | 186 | 137 | 153 | |
| Stocker and feeder shipments to | | | | | | |
| 8 Corn Belt States | 1,000 | | | | | |
| Cattle and calves | head | 893 | 1,574 | 468 | 712 | |
| Sheep and lambs | do. | 425 | 523 | 223 | 426 | |
| Slaughter under Federal inspection | | | | | | |
| Number slaughtered | | | | | | |
| Cattle | do. | 1,654 | 1,898 | 1,900 | 1,829 | |
| Steers | do. | 847 | 936 | 1,106 | 1,039 | |
| Heifers | do. | 419 | 469 | 418 | 411 | |
| Cows | do. | 371 | 473 | 359 | 364 | |
| Bulls and stags | do. | 18 | 21 | 17 | 15 | |
| Calves | do. | 424 | 517 | 366 | 395 | |
| Sheep and lambs | do. | 1,272 | 1,472 | 1,204 | 1,236 | |
| Hogs | do. | 4,737 | 6,642 | 5,174 | 5,868 | |
| Percentage sows | Percent | 8 | 8 | 12 | 10 | |
| Average live weight per head | | | | | | |
| Cattle | Pounds | 997 | 1,006 | 1,031 | 1,029 | |
| Calves | do. | 200 | 199 | 210 | 201 | |
| Sheep and lambs | do. | 94 | 96 | 94 | 95 | |
| Hogs | do. | 235 | 238 | 238 | 235 | |
| Average production | | | | | | |
| Beef, per head | do. | 570 | 574 | 603 | 599 | |
| Veal, per head | do. | 112 | 113 | 121 | 114 | |
| Lamb and mutton, per head | do. | 46 | 46 | 46 | 47 | |
| Pork, per head | do. | 141 | 141 | 142 | 141 | |
| Pork, per 100 pounds live weight | do. | 60 | 59 | 60 | 60 | |
| Lard, per head | do. | 28 | 30 | 29 | 28 | |
| Lard, per 100 pounds live weight | do. | 12 | 13 | 12 | 12 | |
| Total production | Million | | | | | |
| Beef | pounds | 941 | 1,087 | 1,143 | 1,092 | |
| Veal | do. | 47 | 58 | 44 | 45 | |
| Lamb and mutton | do. | 58 | 67 | 56 | 57 | |
| Pork | do. | 665 | 946 | 735 | 824 | |
| Lard | do. | 134 | 201 | 151 | 165 | |
| Commercial slaughter 1/ | | | | | | |
| Number slaughtered | 1,000 | | | | | |
| Cattle | head | 2,153 | 2,434 | 2,386 | 2,306 | |
| Calves | do. | 660 | 767 | 574 | 605 | |
| Sheep and lambs | do. | 1,460 | 1,681 | 1,373 | 1,412 | |
| Hogs | do. | 5,642 | 7,716 | 6,098 | 6,846 | |
| Total production | Million | | | | | |
| Beef | pounds | 1,194 | 1,357 | 1,397 | 1,342 | |
| Veal | do. | 81 | 93 | 76 | 76 | |
| Lamb and mutton | do. | 67 | 77 | 64 | 66 | |
| Pork | do. | 787 | 1,092 | 858 | 955 | |
| Lard | do. | 154 | 225 | 172 | 186 | |
| Cold storage stocks first of month | | | | | | |
| Beef | do. | 138 | 145 | 193 | 201 | 219 |
| Veal | do. | 6 | 6 | 7 | 7 | 8 |
| Lamb and mutton | do. | 12 | 12 | 20 | 20 | 18 |
| Pork | do. | 182 | 138 | 275 | 220 | 210 |
| Total meat and meat products 2/ | do. | 400 | 359 | 580 | 522 | 518 |

1/ Federally inspected, and other wholesale and retail.

2/ Includes stocks of canned meats in cooler in addition to the four meats listed.

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**OFFICIAL BUSINESS**

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